

Legislature of Ontario Debates

Tuesday, July 2, 1968 – Tuesday, July 23, 1968

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ONTARIO

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First Session of the Twenty-Eighth Legislature

Tuesday, July 2, 1968

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JULY 2, 1968

The House met at 2:00 o'clock p.m.

Prayers.

Mr. Speaker: Petitions.

Presenting reports.

Hon. S. J. Randall (Minister of Trade and Development): Mr. Speaker, I beg leave to present to the House the following reports: The Sheridan Park corporation annual report for 1967; the Ontario research foundation annual report, 1966; the Ontario housing corporation and Ontario student housing corporation annual report, 1966.

Mr. Speaker: Motions.

Introduction of bills.

The member for Sandwich-Riverside has a question from last week.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, I have a question for the Minister of Health. What is the procedure for donating one's body for kidney, heart or other transplants; and is there a permission card available similar to that used by the eye bank?

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, to the best of my knowledge no special card or form is available. This is all taken care of under The Human Tissues Act, which I believe was passed in 1964 or 1965. All the procedure is laid out in that Act.

Mr. Speaker: The member for Sandwich-Riverside—a supplementary question?

Mr. Burr: Yes, Mr. Speaker. Am I correct in assuming: (1) That the best transplant donors would be healthy individuals; (2) that such healthy individuals would usually die by accident; (3) that in the confusion and grief accompanying such an accident, speedy permission would be almost impossible; (4) that previously signed permission cards such as I have suggested, would be the best way of facilitating the transplants?

Hon. Mr. Dymond: Yes, I think what the hon. member says is quite right, but I do not suppose the healthy, young individual thinks of dying—or thinks of dying suddenly—and therefore does not make provision in his will or otherwise to make his wishes known if he ever thinks of such a thing. But the Act also does state that one, or those having any authority or right over the body, has the right to determine what shall be done with it or its parts.

Mr. Speaker: The member for High Park has a question from last week and two today. He might place them all now.

Mr. M. Shulman (High Park): Thank you, Mr. Speaker. I have a question of the Minister of Financial and Commercial Affairs.

Has the Ontario securities commission investigated trading in the stock of Pyrotex? Is it the opinion of the Ontario securities commission that a corner currently exists in that stock?

If the Ontario securities commission believes that a corner does exist, what action does the commission intend to take?

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, the Ontario securities commission is currently investigating trading in the stock of Pyrotex Mining and Exploration Company Limited. The action which they may take will depend on the information brought forth as a result of their pending investigation.

Mr. Shulman: Will the Minister accept a supplementary question? Do you expect the results of that investigation fairly soon?

Hon. Mr. Rowntree: Oh, I am hopeful it will not be unduly delayed.

Mr. Shulman: Will the Minister inform us?

Hon. Mr. Rowntree: I will be delighted.

Mr. Shulman: I have a question of the Attorney General, Mr. Speaker. Why have charges against the Holiday Inn in Oakville not been relaid by the Crown attorney in the proper form?

Hon. A. A. Wishart (Attorney General): Mr. Speaker, the charge against the Holiday Inn in Oakville has not been relaid because the acting Crown attorney, on a review of all

the facts, has determined that the circumstances do not justify or support a prosecution.

I might say, Mr. Speaker—just as a little detail added to that answer—that the facts involve an 18 year old employee, a dishwasher, who on occasion carried cases of beer to the bar. He did not open the beer and he was not in the area where the public consumed beer and the acting Crown attorney, on reviewing those facts, did not feel that warranted prosecution and I think that was quite a proper decision.

Mr. Speaker: The member for Downsview has a question?

Mr. V. M. Singer (Downsview): Mr. Speaker, in the absence of the hon. member for Nipissing (Mr. R. S. Smith), I have a question for the Minister of Lands and Forests, standing in his name. Following the serious accident which occurred at Sudbury yesterday to one of the aircraft of the department, would the Minister consider reviewing the policy of the department in respect to aerobatic demonstrations of this kind for public entertainment?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, in reply to the hon. member's question, I must emphatically state that this was an aerial demonstration and not an aerobatic display. From time to time, we are requested to demonstrate the latest aerial forest fighting techniques as a means of informing the public of our advancement in this highly effective procedure. In view of the accident involving our department's aircraft, the policy of this type of demonstration is presently being reviewed.

Mr. E. W. Martel (Sudbury East): I have two questions for the Minister of Agriculture and Food and with your permission, Mr. Speaker, I will present both of them at the same time.

Will the Minister order an immediate investigation into all the reasons for the tractor demonstration by farmers from Warren to Sturgeon Falls on Highway 17, on July 1?

When will the Minister accept the resignation of the northern region representative to the Ontario milk marketing board, Mr. Cazabon, who is no longer entitled to this position because he is no longer a milk producer? When will the election for a new northern region representative to the OMMB take place?

Will the election of the northern region representative coincide with the three other elections to the OMMB to be held this year? Will all the new members take their seats on the OMMB at the same time?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, first of all, I would like to say to the hon. member, in reply to the first question which he asked, I have had no representations at all concerning the tractor demonstration. As a matter of fact, I did not even know it had taken place until I read this question, which was on my desk when I came to the House. I am not sure what the reasons are for the demonstration. I judged from the succeeding series of questions perhaps this is the basis for some of the unrest.

However, I do know from reports I have heard that one or two things indicate that the farmers were protesting for an increase in milk prices. They wanted a price of $7.92 for bottled milk per hundredweight; they wanted the present system of paying farmers once a month changed to the twice-a-month system, and they wanted an election to the milk marketing board to take place immediately to replace Mr. Lucien Cazabon, who was a farmer and milk producer but who resigned because he had disposed of his farm and herd. Mr. Cazabon submitted his resignation to me, which was the proper place to submit it as he had been appointed by me at the time that the milk marketing board was established.

I suggested to Mr. Cazabon that in view of the fact that we were holding elections for at least three new zones in the province of Ontario at the first of September, he might consider withdrawing his resignation or at least I might not accept his resignation until that time. This he agreed to do.

I think Mr. Cazabon is regarded by many people as a very intelligent, able farmer and milk producer in northern Ontario. He has the distinct advantage, Mr. Speaker, of being fluently bilingual—and I think this is quite an advantage in that particular area. I have felt he was making a very valuable contribution to the work of the milk marketing board of Ontario.

I believe that I answered a similar question from the hon. member during my estimates when he raised this point. I suggested to him that I saw no reason why there should not be an election for a member of the milk marketing board in that area represented by Mr. Cazabon, at the same time as the other

zones would be electing. I would feel that there should be a co-ordinated election for all of those zones and certainly all members elected to the milk marketing board will take their places at the same time.

Mr. Martel: I have a question of the Minister of Energy and Resources Management:

Is the Ontario Hydro's practice of lowering the water level up to two feet at a time in Lake Wanapitae having a detrimental effect on the fish life in the lake?

Hon. J. R. Simonett (Minister of Energy and Resources Management): Mr. Speaker, it is not Hydro's practice to suddenly lower the level of Lake Wanapitae two feet, and in fact the regulation procedures for the lake have been designed on the advice of Lands and Forests personnel to minimize any adverse effect on fish. Withdrawals of water are planned so that the maximum total drawdown through the four-month spawning and incubation period is four feet and the maximum in any month seldom exceeds two feet.

Mr. Speaker: The member for Cochrane South.

Mr. W. Ferrier (Cochrane South): A question, Mr. Speaker, for the Minister of Lands and Forests.

What action will the Minister take to restore Leach's Lake in Beatty township to its original condition after having been drained by the carelessness of an adjacent gravel pit operation? What steps will the Minister take to prevent any future destruction of our natural resources in this manner?

Hon. Mr. Brunelle: Mr. Speaker, I wish to take this question as notice. I am in the process of getting information and tomorrow I will have a full reply.

Mr. M. Gaunt (Huron-Bruce): Mr. Speaker, my friend from Parkdale (Mr. Trotter) is absent at the moment, and with your permission I would like to ask a question on his behalf.

It is addressed to the Minister of Health: In what circumstances did the Pembroke ambulance refuse to cross the Quebec border at Allumette Island on the Ottawa River on Saturday night, June 29?

Hon. Mr. Dymond: Mr. Speaker, since it is not required that ambulance operators report such matters to us it will take some time to get this information. I shall undertake to do that.

Mr. Speaker: The Minister of Trade and Development has answers to certain questions.

Hon. Mr. Randall: Mr. Speaker, the first question is from the hon. member for Grey-Bruce (Mr. Sargent):

> Will the Minister advise the number of loans made to Indians in Ontario from CMHC under the proposed $7,000 housing loan for Indians?

The answer: The current federal programmes for housing Indian families both on and off reserves are as follows:

1. Subsidy housing programme (on reserve): Houses under this programme are constructed by the Indian affairs branch with the maximum grant (in reality the cost) set by the Indian affairs branch at $7,000 per housing unit. Who will benefit from these units is decided by the local Indian band council which sets a list of priorities.

2. Capital grants housing programme (on reserve): This programme while similar to the subsidy programme is operated by the band council itself. The band appoints a band housing authority which has full responsibility for tendering, construction and all other aspects of the programme. To be eligible to receive the maximum grant of $7,000 per dwelling the band must set up a five-year programme after which it will receive no further grants from the Indian affairs branch.

3. National Housing Act mortgages (on reserve): Under a new programme just recently put into effect, NHA insured or direct loans are being made on reserves. These loans are intended for Indians who wish to build their own homes and cannot wait to get on the priority list.

4. Off-reserve housing programme: This programme involves a combination of two of the above programmes. It authorizes the Indian affairs branch to make loans of up to $6,000 to individual employed Indians to assist in the buying or constructing of a house off the reserve. These loans are actually conditional grants since the Indian may also borrow further funds from CMHC as a direct first mortgage. The Indian affairs branch grant, or "second mortgage", which varies in accordance with the income of the applicant, is partially forgiven by Indian affairs branch each year over a 10-year period providing the individual has not defaulted on his NHA mortgage payments. Applicants must show they have good prospects for steady employment that adequate rental accommodation

is not available near their place of employment.

So that the hon. member may have up-to-date figures concerning central mortgage and housing corporation's activities in this field, Ontario housing corporation has written requesting these. Immediately they are received they will be made available to the hon. member.

The second question is also from the member for Grey-Bruce.

> Has the Minister considered a programme to serve the urgent need for housing in Ontario similar to the Detroit, Mich. programme where the UAW has joined forces with Consolidated Edison to form a multi-million-dollar programme to aid low-income housing?

The answer: The Metropolitan Detroit citizen development authority, a privately funded partnership between business and labour, has been establishd with the aim of providing housing for low and modest income families. It has raised $6 million for a revolving development fund with grants from businesses amounting to approximately $5 million, and grants from labour organizations amounting to approximately $1 million. With the fund, land is acquired mainly in the centre core of the city. The authority hopes to obtain its mortgage financing from the federal Department of Housing and Urban Development.

The authority has at present 24 units under construction and 481 units at the development stage. Development is on a negotiated contract basis. Rents will be set according to cost plus a one per cent development charge. Arrangements are being made to lease back 15 to 20 per cent of the constructed units to the city of Detroit for public housing use. A further 20 per cent of the development will be made available through the rent supplement programme.

There seems to be no obstacle to business and labour interests in Ontario making similar arrangements for the development of housing for low and middle income families. Such an organization could apply to central mortgage and housing corporation for long-term loans under the terms of section 16 of The National Housing Act. Such loans would be on either a limited dividend or non-profit basis.

The third question, Mr. Speaker, was from the leader of the Opposition (Mr. Nixon):

> With regard to the senior citizens' housing project under Ontario housing corporation in Burford, Ont.:
>
> 1. Who tendered and what were the bids?
>
> 2. Who was the successful tenderer?
>
> 3. What is the estimated final cost, less land?
>
> 4. What consultation with local officials preceded the choice of plans?

The answer: This was a "builder proposal" call and the prices received excluded land:

1. Gordon Hicks Construction, Kitchener—$100,610. Gasbar Construction Ltd., Toronto—$83,632; Headway Corporation Ltd., Port Arthur—$146,240; B.I.B. Construction Ltd., London, Ontario—$91,900; Western Suburban Estates Ltd., Brantford—$85,633; Birchaven Developments Ltd., Hamilton—$95,000; Tureski Construction Co. Ltd., St. Catharines—$119,000; Joseph J. Coates, Burford—$92,411.

2. Gasbar Construction Ltd., Toronto.

3. $94,038; this includes the cost of construction, interest during construction, legal and surveying fees and other related costs.

4. The regional development manager of Ontario housing corporation met with municipal officials and with the members of council. On March 7, 1968, the council of the township of Burford passed the following resolution:

> That this council do not request the Ontario housing corporation to proceed with the construction of the Burford senior citizens home as per the preliminary plans of Gasbar Construction presented to council.

Mr. R. F. Nixon (Leader of the Opposition): If I may, the Minister has answered the question that was on the order paper as No. 63 in my name, and I appreciate having this answer promptly. By way of a supplementary question could I first draw his attention to the fact that the housing corporation did not accept the low tender? I wonder why that was so. Why did it not—

Hon. Mr. Randall: We do not necesarily always accept the low tender. There are other factors studied when we take a tender. For instance, there could be many things, perhaps the availability of putting up a bond, the availability of the workmanship. It is not always necessary that we take the lowest tender.

Mr. Nixon: Does the Minister not have a standard bonding procedure that would make a company eligible to tender? Can anybody

come in off the street with a tender and then the housing corporation investigates to see, whether in fact, he could perhaps come up to the terms?

Hon. Mr. Randall: I would think all these people would be able to put up a bond. We do have a standard procedure but I suggest that when they do come in, they are analyzed by our staff and then they go before the board of Ontario housing corporation and they decide whether they take first, second or third as far as the bidders are concerned. We do not always take the low bidder. It may not be the kind of a project that we want to proceed with.

Mr. Speaker: Orders of the day.

Clerk of the House: The 27th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF TRADE AND DEVELOPMENT

Hon. S. J. Randall (Minister of Trade and Development): Mr. Chairman, I request the unanimous approval of the committee of supply to move to amend vote 401, item 7, cost of participation in the Japanese universal and international exhibition of 1970, by adding, "and outstanding costs related to Expo 67".

By way of explanation, Mr. Chairman, at the time our estimates for the budget year 1968-1969 were being prepared and printed, we anticipated that all invoices relating to our Expo 67 participation would be paid prior to March 31, 1968. However, suppliers in dispute amounting to $10,020.83 were not settled until after March 31, 1968, and in addition invoices amounting to $1,117.22 are still awaiting suppliers' justification of amounts charged. The proposed amendment will permit payment of the above outstanding invoices.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, might I ask the hon. Minister how much is added to the sum of $125,000 that already appears?

Hon. Mr. Randall: $10,000; this amount here.

Mr. Nixon: Yes.

Hon. Mr. Randall: $10,020.83, and there is still an undisputed amount of $1,117, for about $11,370 in all.

Mr. M. Shulman (High Park): Mr. Chairman, perhaps I misunderstood the Prime Minister, but I understood that in circumstances like this—I believe this came up in the Halton affair—that cheques can be backdated to allow the expenses to go in the year in which the sum was voted. Why is that not done in this case—which would remove the necessity for this amendment?

Hon. Mr. Randall: I do not have the answer to that, but we discussed it with the Provincial Auditor and he suggested this is the way it should have been handled when the estimates were going through. But we slipped up on it, so now we are asking for the approval of the House.

Mr. Shulman: Oh. I think you are doing it the right way now. I am more intrigued to find we have two different methods. Sometimes we backdate the cheques, and sometimes we ask for an amendment. I would like to suggest to you that yours is the proper way of doing it, and perhaps this should be the universal way in all the departments of the government.

Mr. Chairman: Do we have unanimous consent of the committee on the motion of the Minister of Trade and Development?

Mr. Nixon: But it does not, in fact, add any moneys to the vote?

Hon. Mr. Randall: No.

Mr. Chairman: The Minister moves that item 7 of vote 401 be amended by adding thereto the words "And outstanding costs related to Expo 67."

Shall the motion carry?

Motion agreed to.

ESTIMATES, DEPARTMENT OF THE ATTORNEY GENERAL

On vote 201:

Mr. Chairman: The leader of the Opposition.

Mr. Nixon: Mr. Chairman, last February I had the honour of hearing the Attorney General (Mr. Wishart) speaking at the federal-provincial conference in Ottawa, regarding the inclusion of the bill of rights in the constitution of Canada. The Premier (Mr. Robarts) had kept for himself the announcement that Ontario would participate in the expansion of language facilities, and

had left for the hon. Minister, whose estimates are before us, to scuttle—and I use the word advisedly—the Attorney General may feel that he had a different approach, but in my view to scuttle—the proposal that had come from the federal government that such a bill of rights, with the co-operation of the provinces, be included in our constitution, and that some means be worked out co-operatively whereby this could be brought about.

The Attorney General had a carefully prepared statement at the time. I remember listening to it with great interest. Without saying that he personally, or this government, was opposed to a bill of rights, he showed the flaws, as he felt that they appeared, in the proposal that was put before the conference. I felt at the time, that Ontario was taking a considerable responsibility by leading off the discussion under those circumstances and with that particular attitude regarding the proposal. It, in fact, did scuttle the idea because representatives from all other provinces save one, I believe, followed the Attorney General, agreeing with his idea that perhaps it was premature, and that considerably more study should be entered into before we—

Hon. J. P. Robarts (Prime Minister): Do you think Quebec would have agreed?

Mr. Nixon: The point is, we are discussing your estimates. This Minister led off the discussion. You sat calmly beside him after having taken the credit for the expansion of bilingualism in this province—as well you should—and let this Minister carry the load for destroying the opportunity that we have in Canada for enacting some sort of a bill of rights in our constitution. The only province—

Hon. Mr. Robarts: On a matter of privilege. I simply have to reiterate, I can only assume from what the hon. leader of the Opposition says that had we supported it Quebec would have supported it. I do not think you can make that assumption. In other words, I do not think you can tell this House that we made up Quebec's mind for Quebec, because Mr. Johnston had announced before the conference opened that he was opposed to it.

Mr. Nixon: It is not a question of privilege, but I am delighted to hear the Premier enter the discussion at this point because my point certainly is only this: that Ontario, in my view the leading province of Canada, not through the Premier but through the Attorney General, stated a position which was then followed by the other provinces with the exception of Prince Edward Island—which simply means that the possibility of having a bill of rights in our own constitution has been put on the shelf. Now, when we look at the development down through the years, it was the provinces—notably this province—that were against abolishing appeals to the law lords of the Privy Council.

The reason given in 1948 and 1949, as I read it—and you people are not responsible for this, but it was the Conservative government, the people who were your immediate predecessors—was that Ontario had been favoured by decisions that had been entered into in the Parliament of the United Kingdom in this regard. I feel that you are entirely too conservative in your approaches to these matters. I would say that this is an important matter. I congratulate the government, as do many citizens in this province and in Canada for making a proposal which enabled us to move into areas of bilingualism which are so important in meeting the requirements, or the recommendations, of the Royal commission in this regard. But it would have been most acceptable in the conference following our centennial year and the new approach that had been begun in the Confederation of tomorrow conference, if something other than a tone and an approach which would put this possibility in abeyance not just for the time being but, I sense, for a good long time, had been undertaken. We have a responsibility, I believe, and this Minister was the spokesman for the government in this regard, and we have a responsibility here not to let the matter die.

I would think that this government should be entering into a carefully considered continuing study on our own behalf so that when we meet the Premiers and the Prime Minister on the next occasion we can as the representatives of Ontario have a positive proposal resulting from our own study that would see the implementation of a bill of rights of the type, not specifically the same, but of the type that was recommended by the then Minister of Justice and the government of Canada.

Hon. A. A. Wishart (Attorney General): Mr. Chairman, let me make it clear at the outset of these remarks that the whole content and the tone, if I could use that expression, of the remarks I made at the conference on Confederation was not to preclude at all the

thought of the incorporation of a bill of rights in the constitution but simply after reviewing the whole matter to suggest that it needed very careful and further study. Ontario usually speaks first in most matters at these conferences and I do not know who should perhaps speak other than our Prime Minister first, then the Attorney General.

Mr. Nixon: I have no criticism, I just draw it to the attention of the House.

Hon. Mr. Wishart: The Minister of Justice of Canada spoke at great length on this matter and I believe the remarks which I made were laid before the members of this House. I think every member got a copy of them. We suggested—as I say—that study of this very important matter was required, and I know that the hon. leader of the Opposition saw a good deal of discussion and comment in the press, pro and con, on this whole matter which indicated—I think it bears out my position—that this is not a matter that you sit down and write suddenly, saying this is a right and this is a right, and so on. These things must be studied.

I recall that there were actually professors, academic people, speaking for some of the provinces on this subject, sitting in the front row with the Premiers of the provinces and the Prime Ministers.

Mr. Nixon: There is only one.

Hon. Mr. Wishart: Well, I thought there were two.

But I want to make this point clear, too, the other provinces did not necessarily follow Ontario. We had discussions, we had an understanding, we had some knowledge of what attitude the leaders of the other provinces were taking and I believe there were five at least who indicated very strongly before we got into the discussion on the conference floor that they were not prepared to suddenly agree to the incorporation of a bill of rights in the constitution without further study.

Now I recall that one of the arguments put forward was that—I think one of the academic gentlemen said it—"every country that has been brought along by Britain out of the Commonwealth and into independent status, has been given a written constitution"; and I felt like rising and saying "look at those countries, and do you think—can you argue—does it follow—that because you write the constitution down your rights are protected?"

If you think of many of those countries—and I do not want to name them—I think you will know, I think our people will realize, that the mere writing down and saying "this is a right" does not mean that you get it.

I could think of one of the leading countries in the eastern world which has a very rigid written constitution and I do not suggest for a moment—and I do not think anyone would ask me to say—that that guarantees personal liberty and human rights. Some of those countries have very rigid constitutions defining human rights.

I think on the other hand we can say—and I am not suggesting that you cannot write down and define certain rights—that in this way they perhaps can be guaranteed by our courts which, I believe, in the last instance are the guarantee of our freedom.

I think you can do this, but I think once you begin to define, you at the same time begin to delimit, and this is true of any type of legislation that you try to write. We have had, I think, a pretty broad expression, a pretty broad interpretation, in our unwritten constitution—insofar as it is unwritten—of our rights and freedoms, and our courts accept the principle of right and justice. They interpret them, I think, broadly, and they are not limited—although sometimes there is a limitation which goes to defeat justice as we may perhaps observe in a great neighbour of this kind.

I believe there is an area for study and to just close the matter as far as I am concerned, I would point out that this matter was not scuttled, it was not destroyed. It was put on the agenda and it is one of the prime matters on the agenda of the continuing study which I think, sir, is a committee of—

Hon. Mr. Robarts: We had five days before the conference opened to consider the proposal.

Hon. Mr. Wishart: Yes, this is point two—I have that; I will bring it out. I believe I was saying that it is a matter for continuing study of the committee of Prime Ministers and others, which follows the conference on Confederation. But the Prime Minister was good enough to point out that the subject was only brought to our attention as one that would be on the agenda some five days before that conference at Ottawa opened.

It is not dead, it is not scuttled; we are not against it; we are not trying to destroy it. We are very interested in it; we always said, and you can read my remarks—

Mr. Nixon: Yes, I have them.

Hon. Mr. Wishart: —which say—"Let us study it." If I may be permitted a moment, Mr. Chairman, to quote from those remarks very briefly:

> A proposed bill of rights must be considered in the light of our systems of jurisprudence and the principles that have been demonstrated. If an entrenched bill then seems necessary and desirable, there are specific effects upon Ontario and, indeed, all provinces, which must be considered. An entrenched bill of rights should not be considered unless it is done as an integral part of a complete constitutional review.
>
> If a bill of rights is entrenched at the federal level, then any ultimate redistribution of powers will have to be made in the context created by the bill of rights. The expression of these rights could, therefore, have a material, and perhaps unintentional, effect, upon the constitutional reforms that might ultimately be desirable.
>
> Since the entrenchment of individual rights above the authority of Parliament has a material effect upon possible distribution of power in constitutional reform, the two steps should be considered together.

Now I might read one more paragraph:

> We must always remember that our nation is founded upon the parliamentary system of government and not the republican system of government. In the former system, the supremacy of Parliament has always been an essential ingredient that is in our system, for it has vested in the people of the nation, through their elected representatives, their ultimate power over their rights and freedoms. This is a fundamental concept of democracy with which we should not interfere except in the revealing light of full and complete discussion.

Now, if I may use the word, I would commend my remarks to the leader of the Opposition. I know he has read them, but I think he misinterprets when he says I threw cold water, or scuttled, or tried to destroy. This was far from thought, and far from expression in what I said, but I do think—and I think it can become quite apparent—that as you start to revise the powers which are now divided and distributed between the provinces and the federal government—the powers, let us say, to take a simple example, property and civil rights, which belongs to the provinces. Once you say and you write into a federal constitution, a certain right—let us say that no man shall be deprived of his property without compensation, that is a simple example—that would be a proper right; but whose right then is it? Is it federal, or is it provincial? Should it be in the province; should it be in Ottawa? It is a matter for discussion. I expressed no opinion, and many other examples could be given.

I simply want to make the point that we did not attempt to disparage the idea of an entrenched bill of rights, but simply to say that as you write it, we are sitting on a constitutional conference; we are contemplating one day—and I would hope soon—a review of our constitution, particularly a redistribution of powers, and in the doing of that we should discuss, as an integral part of it, the matter of an entrenched bill of rights—a matter of human rights, Mr. Chairman.

Mr. Nixon: Well, I should say, Mr. Chairman, that this is probably not the occasion for any full blown debate on the subject, but I got the same subjective impression now as when I heard the Attorney General speak at the conference—that while he was prepared to discuss it, he was certainly of a mind that the supremacy of Parliament would make useless, in our form of government, or at least reduce, the usefulness of the entrenchment of the bill of rights.

I would say to you—and I say it is a subjective view on my part—that he came through this way at the conference, and that in this way, whether we led by speaking first, or we led simply because of the force of the Attorney General's arguments for at least postponing a serious consideration of the bill of rights, then many of the other provinces followed his point of view.

My point really is that since we do have some responsibility resulting from that conference, it is incumbent upon our constitutional committee that works under the Premier's office to be sure that we are prepared, when next we go, to have a definite stand in this regard, and not say that everything can be solved by further discussion. Because I would submit to you, Mr. Chairman, that the Attorney General, whether he realized he was doing it or not, did make a definite statement—what came through as a definite statement—that on his part, he did not feel that an entrenched bill of rights would have usefulness in the context of our own constitution.

Hon. Mr. Wishart: Mr. Chairman, one word. I must again say I do not like the expression, "We are followed by the other provinces", and I do not think they like it,

because they indicated their position, which was similar to ours—I think on all fours, one might say—before my statement. As I pointed out again, they did not follow Ontario's lead; they were with Ontario because it was their own attitude.

They had thought about it insofar as we had an opportunity to think about it before that Confederation conference and I accept the suggestion of the leader of the Opposition that we should have—if we are to discuss this, and we are to be involved and I trust we will—a formula or at least some more detailed presentation to make on specific questions and attempt to assist in reaching a bill of rights. But as I mentioned previously we just had a very few days when suddenly we were told that it is going to be on the agenda and there was not much time to think about it.

Mr. Nixon: Yes, the agenda was amended during the conference itself and I would just say that while the Attorney General feels that he, in his view, in his statement, did not lead the other provinces, we do have a real opportunity, I suggest, to lead the other provinces in this matter now.

Hon. Mr. Wishart: We can be first next time.

Mr. D. C. MacDonald (York South): Mr. Chairman, I do not share the leader of the Opposition's conclusion that this government is to blame for what happened because, quite frankly, I think it is historically accurate that other provinces indicated their view—and whether Ontario spoke first, last or in the middle, those views were going to come out.

I would also add that I think the Attorney General has a point in contending that when you are dealing with the whole revision of the constitution, and the redivision of powers, you cannot separate out the building-in of the bill of rights in the constitution without reassessing all the redivision of powers, which is going to be one of the main objectives of the continuing conference. But I do share the leader of the Opposition's view that it was impossible to listen to the Attorney General, either at the conference in February or now, without coming to the conclusion that he is very close to a decision even though he professes to be open-minded on the issue. He is very close to a decision and the whole thrust of his argument is that it is impossible and undesirable to have a bill of rights written into the constitution.

The Attorney General shakes his head, but the Attorney General has to concede us the right to come to our conclusions as to what he was arguing when he was doing the arguing. I repeat, as I listened to him then and as I listen to him now, the whole thrust of his argument is to place emphasis on the weaknesses in the proposition of inclusion of the bill of rights into a written constitution. That I thoroughly disagree with.

There are difficulties involved, but I think those difficulties can be coped with in the course of the whole reshaping of our constitution in the continuing conference.

Now, I would hope that the Attorney General really is open-minded on this issue. If he thinks, upon further study, it is possible to put it into the constitution, I hope that thrust in his argument will become more evident in the future. I know the Liberal Opposition is arguing, and I argue it on behalf of our group; quite frankly, I think it is a position that this government should think its way to, if it has not got there now.

Mr. V. M. Singer (Downsview): Mr. Chairman, I am a little puzzled by some of the remarks the Attorney General has made in reply to my leader's questions. Particularly, bearing in mind what he had to say when he advanced the compact theory of Confederation, which set us back, very considerably, in the whole of our constitutional discussions. It seemed to me, as I followed the newspaper reports of what went on there, that really the Attorney General and the Premier were not *ad idem*, they were not thinking along the same lines at all.

It was necessary for the Premier to slap down the Attorney General when he advanced the compact theory. But the Attorney General, it seems to me, returned to the compact theory when he said that we really are not going to have a bill of rights unless we take the whole package all at once. Which in effect meant, until we are able to cross all the t's and dot all the i's in the amendments to the BNA Act, the ruling is that we are not going to have anything written in that might, by some stretch of somebody's imagination, infringe upon provincial rights.

What I am saying, in effect, Mr. Chairman, is that the Attorney General began as a provincial rights-ist. He went to the conference as a provincial rights-ist—notwithstanding what his leader did, and said here in this House and in Ottawa—the Attorney General continued as a provincial rights-ist

and was determined, as a law adviser to the Premier, that he was not going to give an inch. So, the end result was that there was an opportunity at that time to write in a bill of rights which would guarantee certain language privileges, certain individual freedoms and so on. We have lost that. We have lost that for some time. I do not know how long. I hope we get it some day, but what bothers me, Mr. Chairman, is the conflict between the Premier and his first law adviser, which has blossomed forth on a couple of occasions, but at no time more dramatically than when the Attorney General announced his compact theory of Confederation, which is just a bunch of nonsense. It blossomed forth again at the conference in Ottawa in a little more subtle way, but the result was the same.

So, the end result, Mr. Chairman, is that we do not have any bill of rights enshrined in our constitution. I hoped we could have, and I think the result last Tuesday indicated that the people of Canada hope we will have very soon.

Vote 201 agreed to.

On vote 202:

Mr. Shulman: Under vote 202, Mr. Chairman, I am a little disturbed at the expense here. It is a matter of somewhat over $1 million. I have just been going over these figures, and I notice that inasmuch as the department this year, has taken over the administration of justice throughout the province, this is increasing the department's estimates by some 25 per cent. Yet, when we go over this particular item, there are wide divergencies. Salaries are up 70 per cent, travelling expenses 75 per cent, maintenance, for some reason, is up 200 per cent, workmen's compensation board has doubled, fidelity bonds are up 80 per cent, training and development up a third—I would agree that that is necessary. Conferences and conventions are up some 200 per cent. I would like to ask the Attorney General what the explanation is for some of these other wild rises in expenses from the 1966 accounts.

Hon. Mr. Wishart: Mr. Chairman, there are two major items that have increased largely.

Last year, the estimate for salaries was $541,000. This year it is $872,000, an addition of $331,000. That is the large increase in the estimates.

Travelling expenses are up from $27,000 to $39,000—about $12,000. And maintenance, as the hon. member points out, has a large increase. It was $91,000. It is up to $183,000. It has doubled.

These things largely arise from the fact that we have taken over the administration of justice. We take in now, as a part of our accounting, persons in outside offices—sheriffs' offices, court houses, registrars' offices, and land titles registry offices. We have taken in and included in our payroll now, the payment of those salaries which were paid to a large extent by municipalities, and some bills which were paid, in the administration of those offices when they were run by the municipalities, out of fees allowance. Now they have all been brought in and under our system of administration of justice, and we will be responsible to see that these people are paid. We are not proposing to allow the local sheriff or the local master of titles to pay people out of fees allowance.

We will have knowledge, control and in that way audit these accounts. So, we have increased by just the fact that accepted this responsibility. We have expanded our own responsibilities. We have expanded the number of people we have to pay. Maintenance of these offices was practically doubled, and I think probably might very well have been. We might very well have estimated more because we are moving into a field which is a vast area, and previously to this year, only in the provisional and judicial districts—which run from Muskoka to Nipissing, Sudbury, North Bay, Algoma, Thunder Bay, and so on—only in those areas was the government responsible for the administration of justice.

Now, all the great populated areas of Ontario—lesser in area geographically, but greater by five times in population—is now assumed by the government and comes within The Department of the Attorney General as of the first of this year. If you will look, those are the reasons, and I do not know how to give you any detail, except to spell out to you all the various offices and perhaps give you figures on the personnel who have come in.

Mr. Shulman: Perhaps I did not word my question clearly enough?

Hon. Mr. Wishart: If you will look at the first three items. As I say, they are increased. Exhibition expenses, which was $30,000 last year, is only estimated at $10,000, which makes that a small item. The compensation is estimated at $1,000 less. Unemployment is up by only $1,000. Training and staff devel-

opment—our various magistrates, probation officers, Crown attorneys, our own law staff, and so on, when they attend conferences—are included in one vote which has increased by $8,000. But I think that you will find generally throughout my estimates, that it will be difficult to point out any instances where our estimates have been increased to a great extent. If they are increased, it is backed by very sound reasons. I pointed out in my opening remarks that last year in these estimates, the costs were reviewed for 10 meetings, by last year's performance, before the public accounts committee. I hope that those who were able to attend those meetings might have gotten some idea of how carefully we attempt to administer financially, and otherwise, the department. I will be glad to answer if the hon. member has further questions.

Mr. Shulman: Perhaps I did not word my question clearly enough. What confuses me is why there is such a varying rise percentage-wise, and this is over two years. For example, salaries are up 70 per cent, but maintenance is up 200 per cent. Have you worked this out on some statistical basis? Is this what it is going to cost you or is it just a guess?

Hon. Mr. Wishart: The only detail that I have before me is that we take the expropriation for 1967 and 1968, which is $91,000, and this year, estimating as best we can with the increased responsibilities, we show for furniture and office equipment for additional staff the sum of $52,000, and for printing, stationery and communication, a separate $40,000. This makes the item of $92,000, which we feel that we will need to meet, as best we can estimate, the additional responsibilities that we have assumed. That is all I can add.

Vote 202 agreed to.

On vote 203:

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman, under the law revision item on this vote, it might be a suitable time to give commendation to the three great volumes that have thus far appeared under Mr. McRuer's signature under the Royal enquiry into civil rights, and to point out to the Legislature that this is an ongoing study, and that the amount of $30,000 is not great for the magnificent achievement that we are being presented with. I would also point out that the report—No. 1—has involved three volumes. These have been amply discussed over the last few days.

Mr. Chairman: Is the member speaking to vote 203 or 204?

Mr. Lawlor: Vote 203, section 4.

Mr. Chairman: We are dealing with vote 203.

Mr. Singer: McRuer is not in vote 203.

Mr. Chairman: This is exactly the point. Vote 203 has nothing to do with the Ontario law reform commission.

Mr. Lawlor: Law revision, and other committees: expenses.

Mr. Singer: That is not Mr. McRuer.

Mr. Lawlor: The hon. member is wrong, Mr. Chairman. I suggest that I am right, and that the law revision committee is chaired by the hon. former Mr. Justice McRuer, and that he is proceeding as a one-man commission with respect into the enquiry into civil rights and it has nothing whatsoever to do with the Ontario law reform commission.

Mr. Singer: Mr. Chairman, on a point of order, could the Attorney General not tell us where the commission on human rights is? My understanding of law revision is that it is the ten-year statutory consolidation and reprinting. Is that not what this vote is for? What is law reform, is that Mr. McRuer's commission?

Hon. Mr. Wishart: Perhaps I would best explain by explaining the items which we dealt with in the past fiscal year under the $55,957 spent on the area. The committee on security legislation, which was an outside committee really, assisted us in revising that Securities Act, which was an item of $51,-495.43. We had a committee working on consumer credit, and we brought in The Consumer Protection Act. That was an item of $1,875. In the securities legislation, I think that the hon. member is aware, we have Messrs. Davies, Ward and Beck, and Messrs. Osler, Hoskitte and Harcourt to assist in certain areas of that work, and the Pete Mitchell company to assist in some of the studies.

The committee on obscene literature—and I do not know if it could be tied very closely to revision of law—is continuing and it studies this area and assists us in administration, and those items that were in that area last year. The law reform commission is in the next vote.

Mr. Singer: The McRuer report is under vote 201.

Hon. Mr. Wishart: I think that that was a Treasury board vote. The enquiry into civil rights was not The Attorney General's Department.

Mr. Chairman: The member for Lakeshore has the floor. Has he any further questions on 203?

Mr. Lawlor: No, I shall speak to the Provincial Treasurer about it. Thank you.

Mr. E. R. Good (Waterloo North): Mr. Chairman, I would like to enquire of the Attorney General whether the commissioners for estates bills is under this vote.

Hon. Mr. Wishart: This does not come within my department at all. I have not got the legislation referring tc the commissioner of estates, but I believe that it is The Legislative Assembly Act which provides that when private member's bills in particular come up which may affect estates, trusts and so on, they are referred to the commissioner of estates for study, and consideration. They are not paid out of my department, and I do not administer them. They carry on without fee. They are Supreme Court judges.

Mr. Good: There are no votes in the estimates then, that could refer to this so that we could question the operation of the estates commission?

Hon. Mr. Wishart: In my opinion, it would come within The Department of the Provincial Secretary.

Mr. Lawlor: Turning to the fifth item under this report on the conference on uniformity of laws, could the hon. Minister give some indication as to precisely what work is going on there? I understand that there is some work here that has been a long time under review, recommendations have been made in fact, as far back as 1931, concerning limitations. Some of the remarks made under this heading as to the archaic language is mentioned in the report of the law reform commission, having reference to this particular vote. It says that:

> It is clear from the recent decision of the Ontario court of appeal in Schwibel vs. Telekes, 1967, and referred to us by Laskin J. A., while yet unreported, that the archaic language of our legislation concerning limitation continues to impede the court in administering justice in this important field of law, and that reform is desirable.

Now this was first broached, as I understand, back around 1931. The final reports were amended in 1934 and 1944, I believe, and so far as I know, nothing has been really forthcoming for this Legislature under this heading.

The second part of my question is that I understand there is a model wills Act in the works at the same time. I wonder, while looking at this, whether it had anything to do with insurance law, particularly with liability regardless of fault? Incidentally, that is "regardless" of fault and not "without" fault—so the insurance people tell me. In any event, in what areas is the uniformity of legislation across this country being discussed?

Hon. Mr. Wishart: Mr. Chairman, the committee of uniformity of legislation is a committee which represents the whole of Canada, and representatives from all the provinces meet. They usually meet in August, and their deliberation continues for a week or longer. Their agenda is divided into study of the criminal law with a view to uniformity suggestions—and legislation, and the civil side. All the Deputy Attorney Generals, as I understand it, attend the criminal law discussions with legislative counsel. Our legislative counsel attend the civil law discussions. I can inform the House that certain of the things that were discussed there on the civil side, at least, included consumer protection legislation, and I think one will perhaps see the result of that in a growing uniformity in this area. Our securities legislation was discussed there. I think the discussions of the committee of uniformity of legislation resulted in the formulation of the proposed wills Act, which would be a uniform piece of legislation, which is now, if I am correct, being studied by the law reform commission. I know there are other matters. There certainly have been a number of suggestions which came from that conference on uniformity of laws, and when we were attending the Dominion-provincial conference on the criminal law legislation in Ottawa, many of the suggestions which were put forward there had come from the study of the commissioners on uniformity of laws in Canada.

Mr. J. E. Bullbrook (Sarnia): Expropriation procedures legislation.

Hon. Mr. Wishart: Expropriation Procedures Act.

Mr Bullbrook: No. Expropriation procedures legislation. I thought that was discussed before that committee.

Hon. Mr. Wishart: It may have been. I did not attend that conference personally. The Deputy Attorney General does, along with the Deputy Attorney Generals of other provinces, in addition to legislative counsel. Mr. Common has attended regularly, and Mr. Henry Bull is another name that comes to my mind—a person very knowledgeable in criminal prosecution and criminal law generally. But a good deal of work is accomplished there, and I think a good deal of progress is being made towards securing uniformity of legislation, particularly in those subjects I have mentioned—consumer protection, wills, and I think we will see it in the securities field.

Mr. E. W. Sopha (Sudbury): I should like to ask the Attorney General, through you Mr. Chairman, if all proposed legislation in the form of bills from all departments of the government, arrives in the office of legislative counsel before it is presented in this House?

Hon. Mr. Wishart: Yes, Mr. Chairman, we did discuss this at some length on Friday last. That is true. All government legislation comes through the office of legislative counsel.

Mr. Sopha: Is that a recent development?

Hon. Mr. Wishart: It is not particularly recent, no, but perhaps there were some occasions when some bits of legislation in the past did not get there, somehow. I can say to the hon. member that all legislation proposed by the government is reviewed by legislative counsel.

Mr. Sopha: Do we understand that these empires that have been created in the law branches of the various departments—the Minister of Highways has quite an empire of lawyers, and the Minister of Municipal Affairs has one, the Minister of Health is creating one, and the Minister of Agriculture and Food wants to be in the law—

Mr. Nixon: Do they not call them gaggles of lawyers?

Mr. Sopha: You might; that would be a good expression. Gaggles of lawyers, my leader said.

Do we understand that these law branches of the various departments initiate the framing of the legislation? And after it is framed in its rough state so to speak, does it then go to the office of legislative counsel?

Hon. Mr. Wishart: I think that is a fair way of stating it. Let us take, say, The Department of Highways. The law staff would frame the legislation within its competence to carry out the policy of the department. It is submitted to the legislative counsel, not really to deal with the matter of policy but to consider the drafting to make sure that the intention is expressed—to make sure it is, let us say, *intra vires* or within the principles of affording appeal, the rights of individuals and so on are not infringed upon. To that extent, a legislative counsel would review it very carefully, and I might say we did discuss this quite thoroughly at the opening day of my estimates.

Mr. Sopha: Is that supposed to be a reprimand? Is that a reprimand to me, Mr. Chairman?

Hon. Mr. Wishart: No, it is not. Mr. Chairman, I am having to repeat myself considerably, and I do not mind doing that but I would want to say—

Mr. Sopha: I might have a fresh idea.

Hon. Mr. Wishart: No, it is not fresh really, not fresh at all. Mr. McRuer made certain recommendations about bringing all the lawyers in the government within The Department of the Attorney General, and we discussed that. I think I said that I thought that that recommendation was a very meritorious one, and that we were striving to achieve it. I cannot say much more than that, but I think we have made some progress in that direction already and will make more.

Mr. Sopha: I am sure Mr. McRuer will not interpret it as a gratuitous comment from myself, but I merely want to remind you, Mr. Chairman, that my friend from Downsview and I, long before Mr. McRuer took pen in hand and began to write his three volumes, had been advocating that the Attorney General over there should be involved in all of the law, and in every aspect of the law of Ontario, whether in the courts, in drafting legislation, in giving opinions or anything else that lawyers do. The Attorney General should be a kingdom unto himself in that regard. And if my friend from Downsview and I are here long enough, as I expect we will be, we are going to have our own way about that. We are going to have complete success.

We had a little victory the other day. I notice in the public prints that instead of going out to hire a downtown lawyer for that new Royal commission, we are going to use one of the home-grown products as the

counsel to it, and all these are marks of progress.

It is analogical but not in four-square with this matter, but I was quite disturbed about this Collingwood nursing home business when the law department of The Department of Health went off half-cocked without apparently consulting the Attorney General's staff about it. I say quite categorically, I see no reason whatsoever that legislation should be initiated even it its first draft in any of these other departments within their legal empires.

If they want a bill drawn, then all they have to do is draft up a brief for legislative counsel and the other persons of expertise in The Department of the Attorney General and send it over and say, "We would ask you to draft this suitable bill to accomplish these purposes that we have in mind." After the initial draft it ought to go back to that department and they can point out any unique or peculiar qualities or matters that they wish to have included in it. I am sure the legislative counsel could encompass the special and particular, and the bill would then truly be a product of the experts in the law who ought to be—and I am sure they are, knowing many of the personnel—experts in this department. For the first time, in that way the government could become truly responsible for the form of legislation.

Two things ought to be said about this—and on many an occasion a search of the reports would demonstrate the validity of this observation—legislation of this Parliament has been under review in the courts and its ambiguities or its obscurities have unquestionably cost private litigants many hundreds of thousands of dollars, as it wended its way from the lowest courts through to the Supreme Court of Canada. That type of problem and that discouraging encounter with the law on the part of private litigants could, to a large extent, be avoided if the legislation emanated from one centre of expertise, and that centre ought to be nowhere else but in The Department of the Attorney General.

Then the second observation that ought to be made—and I hope this does not repeat what was said on Friday, forgive me if it does, Mr. Chairman—is that if the legislation were initiated in the form that I advocate then it could truly be said to be legislation of the government because in no way does the bill introduced here by any Minister, any of the 22, mean that that bill or that that Minister has a vested interest in the bill. It comes from him because it is relevant to his department.

But every bill introduced here as a government measure is the responsibility of the government as a whole and we know nothing about what goes on in the Cabinet chamber. I would suspect that these bills go in there for review by all of the Ministers at some time and they are taken to know the contents of them, with the exception of Bill 99, and it is safe to say that when your senior is not here, Mr. Chairman. I would measure my words more carefully if he was here. That one must have slid through without a proper amount of observation by the Ministers.

But the point I make is a valid one, that bills introduced here as government measures are the responsibility of the whole Ministry.

Now, does it not make sense that there be a common clearing house, a common place of initiation that in the words of Mr. McRuer, and again I emphasize that the member for Downsview and I—

Mr. Lawlor: On a point of order—

Mr. Sopha: I am almost finished and the member can have his point of order.

Mr. Chairman: The member for Lakeshore wishes to raise a point of order?

Interjections by hon. members.

Mr. Lawlor: My point of order, Mr. Chairman, was that under the omnibus clause vote 201 we, I thought, gave this a very thorough airing. Both the member for Sarnia and myself particularly went after this matter and this is highly repetitious.

Mr. Sopha: Well, I want to say on that point of order that the member for Sudbury was not here on Friday, but he is here today.

Mr. MacDonald: On a point of order, Mr. Chairman, on one earlier occasion in this session, either myself or somebody else from our group, tried to revive a debate which had been conducted and concluded. You quite rightly said it was repetitious.

Now just because the hon. member for Sudbury could not be here on Friday I do not think the whole operation of the House has to be shaped to fit his schedule. I suggest that we follow the rules of the House.

Interjections by hon. members.

Mr. Chairman: Order, please! If I may point out to the member for York South, I

would remind him of the incident on Friday during which the member for Riverdale spoke out of order at great length. I brought it to the attention of the member for York South that he also was out of order but he insisted on proceeding, and I permitted him to do so.

Mr. MacDonald: When was that?

Mr. Chairman: This was on Friday—or perhaps Thursday—evening regarding the topic discussed by the member for Riverdale, who spoke at great length about matters that were *sub judice.*

Mr. MacDonald: What was the topic under discussion?

Mr. Chairman: It was a matter of what was *sub judice* and what was not, and I permitted the member for York South to carry on then. However, the member for Sudbury has been speaking on this particular point and I am sure he has made his point at this time. I would now put vote 203.

Vote 203 agreed to.

On vote 204:

Mr. Lawlor: Mr. Chairman, I will try to be expeditious. I assure you I have concatenated my remarks on matters in order to try and bring this debate to some kind of conclusion. However, with respect to this vote, for the first time since the law reform commission was constituted on May 8, 1964. have we a report before us, today, allowing us to see what they have been spending our money on, what they have been reviewing and exactly what these gentlemen have been doing.

The report itself is a compendium in effect, of our law, they are going over a very wide range of subjects, practically anything that comes to mind can be fitted in within the terms of these 30 pages which have been submitted. This being the case, I think this is a proper opportunity upon which to give some brief review, nevertheless, since as I say it is so wide ranging, it cannot be altogether that brief, and I wish to make a few remarks arising out of the submission of this report at this time.

The report says there are five studies that they have been going on with, some of which have been completed at the present time. These studies were before us or have been brought into legislation as a result of a reference from the Attorney General himself. There are in addition to this a considerable number of studies which were self-initiated by the law reform commission, three of which I shall mention subsequently, and they have 11 other studies, seven major ones and four minor ones, under way at the present time; all of which will have considerable impact upon the law of this province.

May I say that as far as this commission is concerned, it is not unique. There are other commissions, say in New South Wales and others, but they have not become too habitual or commonplace in the English-speaking common law world and the initiation of this sort of thing on the whole is a highly beneficial thing to all we legislators. In no way can we be given the springboards and the initial grounding and the immediacy of intelligence that goes into the making of legislation in any better way than through these auspices.

At the same time, I have spoken on a previous occasion in this House as to some of these boys having a field day, and we must watch them with due care and attention as their propensity is to spend a good deal of money. Where better can an academic enjoy the flowering of his talents and range freely than on taxpayers' money directed towards all the nice interstices and the arcane holes that exist in our legislation and which have existed under this present regime for so many years?

With those few initial remarks perhaps I could give a bit of a review and have a number of questions arising out of this as we go along, which the Attorney General may see fit to make some comments upon.

The personal property legislation that has come through—the Catzman report which was passed here last year—is not, as the Attorney General probably knows, in effect at the present time. The inspector of legal offices' report of this year indicates that the machinery to do with personal chattels and the registrations of various kinds of chattel mortgages, bills of sale and whatnot, the central registry system which is envisaged under that legislation, is still far from coming into being.

If the Attorney General could possibly help me, I would like to have some report as to just what the progress really is and what difficulties they encounter in expediting it, because it still seems to be very far away, much to the detriment of the commercial life of this province, from being able to establish such a simple thing as a lien on a motor car. The problems of the practising bar with respect to trying to root out the type of searches that have to be made at

the present time are an impingement in this age of automation on our time, and on our services, that seem to go way beyond any advantage that can accrue.

The second thing is the wage assignments—we have dealt with that, The Execution Act—that has been amended; and The Evidence Act of which we had considerable debate and which we had to forefend against the people in the insurance bar. That is in effect. I do not suppose we have had any opportunity—at least I have not heard of any cases coming up under it as yet—but it was certainly a goodly move towards reducing costs of producing evidence, particularly medical reports. We said a good deal at that time and I think there is very little point in pressing it here now.

The fifth matter, which is still under continuing study, is the business of expropriation. The McRuer report is on one side of the fence in its broad-ranging civil rights aspect, and the law reform commission is handling the narrow aspects of the exact assessment procedures that ought to be utilized. The need for that is very great, I suggest to you, and I would ask you to expedite that. A good deal of work has been done on it and I understand it is on the verge of completion, so we are anticipating in this Legislature having before us very shortly an amendment to the expropriation procedures, or a new Act entirely, and you know the position of this party over here. We want a formula—and we think it can be devised: human capability can match the wish—of a "home for a home".

In my own riding—I will just say a word about this—there are 32 people with the present iniquitous legislation hanging over their heads and being thrown out of lands which, through government auspices, largely are being turned over to industry. Individuals are having their homes expropriated by public utilities or public offices in the borough of Etobicoke. To turn them directly over to the purposes of industry—unless adequate and proper compensation is given, at least on the scale they would have derived directly from industry in a sale—is a thing that ought not at this time to take place in our province, and I say it is taking place at the moment in my own bailiwick.

Apart from this, the reform commission is launching into a study at long last, thank heaven, and a little belatedly as usual, of The Landlord and Tenant Act. We will come to that in a moment. The hon. member for Downsview, I think, shares my feeling of phlegm, if I may put it that way, whenever I come to that particular statute, which was a product of, I think, the first Henry who went through the War of the Roses and has never been particularly altered.

The law reform commission has, under its second heading, powers of self initiation on a scale unknown, I think, otherwise, in English or other jurisdictions; far greater than the English law reform commission. The English law reform commission has to get the permission of the Lord Chancellor or of the Commons, whereas here they can come forward and can launch, on their own auspices, studies in the areas of law which strike them. Of course the propensity here, as I said before, would be to go off in some archaic field which nevertheless has some validity—I am not going to argue against it—and as a result of that have come before our Legislature the perpetuities legislation and The Condominium Act, which so far as it goes—I trust the price was not too great—is beneficial. The arcane and almost esoteric nature of the perpetuities legislation, of course, causes one to pause.

However, there is a third matter which they have completed but for which I do not believe we have legislation before this House. That has to do with The Mechanics' Lien Act. Mr. Chairman, I want to ask the Attorney General about the final report which was submitted to the Attorney General on May 26, 1967.

Just where does that legislation and the legislation coming out of the mechanics' lien report stand? May we anticipate launching into that field? That whole section of our law, designed to protect those who supply goods or services, is supposed to be an expeditious and a less costly procedure. Anyone having to do with that in our courts in the present day will find that there is much delay, and the cost in terms of the legal scale is terribly onerous. Anything that may expedite and simplify that piece of business is very much in order.

Now, as James Joyce used to say, we come to what we call "work in progress" and he ended up with "Finnegan's Wake". I trust that we have something more readable at the end of the day, and under this heading there are seven studies. It includes a wide range, I say, this reform law covers an encyclopedia. The first item under that heading, of course, is family law.

May I say, Mr. Chairman, the day that that legislation starts coming before this House we are going to have a field day, be-

cause the report itself is in three great volumes. It is an on-going report, it is not finished either, and in the areas of law with respect to resulting trusts and dower and a whole host of other things, it offers, at least for the lawyers in this legislation—and I see no reason why it would not for the others in this Legislature, too, because after all most of them have wives too—a great field of study and debate.

I have made what I trust are biting remarks about the cost of the thing, about the great time the boys had digging out ancient British precedents and going over vast historical realms, about going out to other jurisdictions —from Australia to Austria. The marriage law under the Ubangi was very foremost in their minds in trying to bring this study to a focus. I thought it could be done with far more thrust and incisiveness, and I would say that in future reports of this kind let them bear that sort of thing in mind or the consequences will become tense. There is a good deal that can be said about that report but I will pass on.

We mentioned a moment ago the business of limitations; that too is being brought up. I want to know under this heading—it is contained at about page 18 in that report—has the Attorney General received the recommendations of the commission as yet, as mentioned on page 18 of the law commission report? The third heading here is on the law of property. There are remarks made as to the total and radical revision of the British legislation under this heading in 1925, and some defensive remarks, I thought, that our law of course was not on a parallel, and because of the nature of tenures in Britain being rather diverse from our own, that therefore the same problems would not present themselves.

Nevertheless no lawyer practising in this province can help but talk about dower and courtesy and the nature of the consideration used in these transactions, without inveighing against it, without saying that the matter ought to have long ago been changed. There should be some kind of coalescence between the registry system and the land titles system in this province. That these two somewhat contradictory systems ought to be brought into a union more in the line of the land titles system is well taken, and as we advance I would trust our direction will be towards the bringing of assimilation of these different systems under our present law.

No one searches a title in this province today under The Registry Act without treading on quicksand, and I use that word advisedly, because it may be precisely some underground right or easement which is not disclosed in the system and from which we have no real protection.

What they do say about landlord and tenant occurs on page 19. They talk about feudal concepts of the land law. Much of the law of the landlord and tenant derives from the *laissez-faire* doctrines of the industral revolution and even earlier times, and may be out of step with modern commercial practices and social justice in residential accommodation which is demanded for our times. I do not think there is much point in launching into the business of security deposits, evictions, and the roles of bailiffs in this particular regard. I shall pass them over at this time.

Under the section of property projects again, I have a few remarks. There are ten sections under this heading—everything from intestate succession through to land use control. I have been reading over the weekend a rather masterful doctrine called "Tentative Proposals for Reform of Law Relating to Community Planning and Land Use Controls," by Professor J. D. Milner. Again, this is good stuff, and I hope the government will seize upon it, put its teeth into it and make some intelligent use of restrictive covenants and the imposition of zoning restrictions. They are completely out of hand in this province under The Planning Act as it now is and which is one of the chief causes, almost a prime cause, in the present depression in the building business and the cost of homes. That has to be rationalized and I can only say, get on with it.

The job, with respect to a uniform wills Act, is the sixth matter under consideration and again, I would ask the Attorney General, through you, Mr. Chairman, just how does that stand because that has been kicking around for quite a while, both at the conference of uniformity of laws and within the terms of reference of this commission, at least self-designated. There is a considerable section dedicated to it, which I will not read, on page 20 of the law commission report and it seems they have got the new wills Act into fairly good shape. I know very well how you tend to be overwhelmed—revamping our courts and whatnot—and that your work has been heavy of recent date. Nevertheless, these matters are also matters of urgency and we are willing to contend with it. We would ask that you come along with this and bring it forward and get it into

the law and then let us get unto important things—economic affairs and poverty, and matters in this province which really reach to the depth of people's lives.

The other matter I want to mention, simply because I can take advantage of the House—and I was given a bad reception the last time I tried to get it in though I am sure it is quite valid on this occasion—is The Motor Vehicles Act and compensation fund.

The report is that they are involved in a study of such a fund. When the part two—six of The Insurance Act, which one of my colleagues informs me does, in effect, bring in the compensation aspects of the Saskatchewan scheme was brought before this House some weeks ago, and was then thrown over for indefinite future implementation on the slight pretext of uniformity throughout the country, which I have never been able to derive, then under those circumstances we come right back to the studies presently being made here in Ontario.

Can there be any question as to the necessity for implementing and bringing this in at the present time? Again, if on reading the report, the matter is imminent, there is no reason that legislation of that nature cannot be introduced. All parties and all reasonable men, I suggest to you, think that regarding the way in which insurance companies are handling claims at the present time and the failures to pay, particularly in cases where it is most needed, legislation is long, long overdue.

I will run through the other matters quickly. They include the business of the matter of confessions into the law of evidence—that is under study. The problem of the age of majority—I think that should be very much under study by the legal professions. As these young people come more and more into maturity, they are becoming more business-like, investing in the market, more and more so I find in actual practice, from day to day, that the age of 21 is anachronistic. It is simply not up to the times. Why should a 19 year old husband and wife not hold property in jointure and not have to place the matter under trust or some form of holding until they reach that age? They are able to earn their living and pay their way in this world and I would think that that business of bringing the age limitation down possibly to the age of 18, in any event to the age of 19, should be considered in the near future.

The next section we can look forward to is—I know I personally do—the world of privacy and personal identification. I hate to quote the man, but as William Buckley says, "the problems of freedom are the problems of privacy in the modern world." In that whole area, and we are going to go into it in one aspect, I suspect, around vote 210—wire tapping—but there is a host of other manners of listening, electronic devices, eyeseeing devices of various forms of manipulations and subliminal advertising. All these things infringe upon our private lives and are only beginning to be touched upon in this province, only beginning to be really gone into deeply anywhere in the world.

I think perhaps New York, as usual, is somewhat in advance of our position with respect to legislation but the legislation of the Supreme Court of the United States is in a terrible mess, touching that whole area of eavesdropping and electronic control of people's lives. They have got themselves into a mess. I disagree with them completely—I shall discuss this during the next session—insofar as those principles delegate to the state legislators and to the state courts the actual operation of the law.

What they have said, as far as federal jurisdiction is concerned, both as to the admissibility of this evidence properly obtained, and to the obtaining of it at all under proper jurisdiction, I think the Supreme Court did not do too badly on that. What they have done is they have allowed the states to override their authority all along the line and, therefore, in effect, the protection of privacy is in great peril throughout the United States at this time, particularly in 35 of the states. In any event, this is their grab bag for the future and I will not hold up the House on that today.

The other matters which may seem rather secondary and incidental but are of great interest, I think, to the legal profession, particularly, are the business of *caveat emptor* in purchases of property. There is a study going on in that and the business of expunging records of conviction for previous offences. That has been mentioned in this House.

I think it has been given far greater play in the federal House but there is a role here for the provincial Attorney General in this regard. The sooner that consideration is given this, and we stop holding people indefinitely under the spell, or under the dark cloud, of a conviction for which they have paid the penalty, which affects both their livelihood, their chances of employment and immigration possibilities, it will be all to the good.

The other one is the administration—the admissibility of certificates of conviction on criminal matters and in civil cases. This

would be a more expeditious way of obtaining information than putting a man on the stand and having to probe, "Were you convicted on such and such a day", and all that sort of thing. A simple certificate would obviate all that difficulty, and I would anticipate seeing that type of legislation brought into being.

Finally, with respect to innocent misrepresentation. This is a law which has given the profession a great deal of trouble; in which decisions go every way; and which, particularly with the high volume and turn-over in property transactions in this time in our history, ought to be brought into line and rationalized. In closing, may I say that I commend the government for having set up the commission, and I commend the commission for having launched into such a wide variety of subjects that extend and stand in great need of immediate revision, because the tendency has been to sit on it over the years, and many of these things have become of explosive impact and are causing unnecessary pain or suffering to goodly numbers of the citizens of the province.

There is no reason, as we are dealing with intelligent individuals, why we cannot get on with it and bring this legislation in in the near future and let the law commission head out into areas which in at least some of the aspects of the law are very necessary. Much of this stuff is peripheral, a cleaning of the house, of the cobwebs in the attic. But as to getting to the substance of the law, in many areas of contract, of injurious affection, and in a host of other matters arising out of The Motor Vehicles Act and whatnot, if we can get to that, then I think that we can do something for the people in this country.

Mr. Bullbrook: Mr. Chairman, if I might digress for a moment, I had the opportunity of going through four years of law school with the hon. member for Lakeshore, and as I listened to him speak in the hallowed halls of Osgoode, I always wanted to say, "Me, too". And today in the Legislature, I say in most parts, me too. I commend the Attorney General in terms of the concept of the commission, and the reports that have come through thus far. My friend from Lakeshore has dealt with almost everything from James Joyce to the shifting use, so I do not think that there is necessity for me to make much comment. But there is one thing. We have had published from this commission, the report on compensation for expropriation. My friend did but lightly touch on it.

This is the one thing that I want to put into the record now from my personal point of view. During the course of the estimates on The Department of Highways, I have been quite vigorous in my questioning of the Minister in connection with what his future policies would be. He has pointed out, as have some of your colleagues and yourself, in this House, the fact that we are hoping shortly for some type of uniform expropriation procedures legislation. Now, I say this to you, that when I read that volume on compensation for expropriation, I really read it with much interest. The time has come, in the law of the province of Ontario, to get away from the semantic approach of value to the owner in dealing with the citizens of the province.

Too many times have I argued before a tribunal—as have my colleagues in the House, members of the profession—through the veneer of archaic principles of English law, that came about through the mental gymnastics of hundreds of years, when we knew in our heart that people were being ill done by. What we were interested in, in effect, was, as my friend has said, some indemnification by way of justice, not rationalization for the expropriator. Now, to the Attorney General, there are two things that have caused me concern.

First, we have got to put the private citizen in the province in the same position, if at all possible, as the expropriating authority. Some people in the House feel that I go too far, but it is essential in my opinion, Mr. Chairman, that the expropriatee must have within his right the ability to choose an appraiser of his choice without a fear of any kind. If the government intends, or any emanation of the government intends, to take away private property rights, then I suggest that it is entirely incumbent upon them to put the expropriatee in the position of being able to go out and choose whatever appraiser he wishes, and the expropriating authority will pay all costs. I do not think that there was too much misunderstanding in connection with my position. I believe that my colleague from Lakeshore, when I put this position forward previously, and I do not think that the Attorney General was in the House, took issue with this.

Then there is the second question of the hiring of legal talent. I think that there is some opposition to this from my friend, but I suggest to you, sir, that there is an obligation also that the government pay for legal talent of one's choice. I find so many times,

in dealing with this very problem—and understandably so—that governmental bodies are able to choose legal talent of great repute and ability, and so many private citizens are faced and facing the tribunal with people of less knowledge. Now, I would like to record also my personal opinion, that the government should be called upon to pay the entire legal costs for any counsel of the choice of the expropriatee. Those are the two things that I wanted to record at this time. This is the main report out of the McRuer report that has been tabled before us, and I would hope that in answer to the question put forward by the member for Lakeshore and myself that the Attorney General might make comment as to his attitude to the policy that will be exemplified under the new legislation.

Mr. Sopha: Mr. Chairman, I cannot share my friend from Sarnia's enthusiasm for the remarks of the member for Lakeshore. Today, I found him too discoursive and obtuse, and I thought that his remarks lacked focus. But what is needed here, in the area of law reform, is the introduction of some practicality. The law of Ontario—the great body of the law, the fifteen hundred statutes or so, public statutes presently on the books—any viewing of them from any angle indicates to one that the law has not yet, in the spirit of reform, arrived at the last third of the twentieth century. It is a fair comment, and has been said by others, that the body of the law in Ontario is still very much a reflection of the industrial revolution. Only in very modest degree, does it reflect the collective society in which we now live.

Since I am speaking in terms of practicality, I would like to first refer to one illustration of the activities of this commission. That is the report that they handed down which was six or eight pages in length. I thought that it was very expensively published, with a semi-hard cover on it, as I recall. I do not have it before me now, but that report dealt with increasing the limitation area in respect of claims to the Sandwich, Amherstburg, or the Sandwich, Windsor, and Amherstburg railway. It took them five or six pages to come to the conclusion that the limitation period which was theretofore three months, for bringing an action, should be increased to one year. That is a street car railway, I believe, and that equates with the TTC in Toronto.

Now really, I said at the time and I say it again, that all that was necessary in regard to that reform of the law to bring it into line with common sense, and human frailty, was for the chairman of the law reform commission to pick up the phone and dial the Deputy Attorney General and say: Look here! Let us amend the Act to make it a year, and he would have then put the thing in motion to get Arthur Stone to draw up a bill to be introduced here, and that reform would have been effected.

I would like to hear cogent argument to excuse the spending of public money in making a report for such a simple reform as that. The whole law of limitation, of course, speaking in the realm of practicality is in a mess.

The Limitations Act is beyond the comprehension of any layman, and many lawyers, who approach it. The whole field of the law of torts is a bewildering complexity where the practitioner has to have within reach a publication—a textbook publication—on limitations to inform him when he encounters the problem of what the limitation period is.

In the name of common sense, could not human affairs be ordered to the extent that we seize upon some arbitrary limitation period, say two years, or three years, in which to bring an action to effect a right and to recover damages where a person has been injured? Need we have a six-month period in respect of police officers, the actions of police officers and public hospitals. A year in respect of damage by motor vehicles, three years in respect of a punch on the nose, six years in respect of suing on a promissory note?

Would not human affairs be more simply ordered, if we said that within a space of two or three years, whichever is deemed appropriate, an action may be started in the courts to protect rights, or to secure relief? Need the law march on aimlessly, and in a state of confusion, in this area?

Now, of course, they will study it. The product of this commission has been very meagre indeed. Too much study. A great deal too much study. To make that point it occurred to me a long time ago—and I say in a most friendly way, to my friend from Sarnia and my friend from Lakeshore—that I went to a different law school than they did, but it occurred to me a long time ago, as a matter of abstraction, that Great Britain, in most areas of law reform, is about a generation or better ahead of us in law reform. After the gap of a generation we take the steps here to catch up in the reform of our law. I think it was back in the mid-thirties, I hesitate to quote an accurate date,

that they reformed the law of real property in Great Britain. The rule in Shelley's case is a living maxim in Ontario. We have not got around to doing anything about that.

My friend from Lakeshore mentioned the complexity of the registry system, and the happy simplicity of the land titles system. It was two or three years ago that I made a simple suggestion to the Attorney General in that regard, that he might consider some kind of statute whereby a start could be made in requiring land to come into the land titles system—that is to say, all land with which a public body deals. Where a public body is involved, upon beginning to deal with that land, the land shall come into the land titles system. That would include conservation authorities, The Department of Highways, The Department of Lands and Forests and the multiple complex of the government of Ontario and its emanations involved with land in this province.

Now we come to a very difficult subject. I had a bill on the order paper here, two or three years ago, advocating a repeal of The Dower Act, and I never heard from a single women's business and professional club about it. Is that such a horrifying prospect? Would there be near revolution in this province if the Attorney General walked in here one day and introduced a bill to repeal The Dower Act? Would womanhood in the homes of the province rise up and revolt?

I doubt it. I doubt it very much, because they are given plenty of protection in respect of property in other aspects of the law. Indeed my experience teaches me that most husbands are dutiful enough that when they acquire the land for the family home they take it as a joint tenancy, and I dare say that applies in the majority of the conjugal unions in this province. But the Attorney General says that they are studying it.

Let us turn to another field, the whole law of contract. The whole law of contract is the outgrowth of several centuries of judicial decision, and I think society collectively is coming around to the point of view where the merit of Lord Mansfield's observation of the 18th century is becoming the accepted norm. Lord Mansfield said, in a celebrated case, that a man ought to keep his promises, and that not only is that a good moral maxim, it is also a good spiritual and religious one. But Mansfield, as the Attorney General will recall, was repudiated in that belief by a superior court at a later date, and the whole nefarious doctrine of consideration crept into the law and indeed distorted the law of contracts from that time to this. The law of offer and acceptance, in addition the necessity for some contracts being in writing, and many other aspects of the law of contract are unworthy of the enlightened society. I ask the Attorney General, in voting $190,000, when may we expect to see some product of this commission find its way into the House.

Oh yes, there is the law of perpetuities—that was one of the early ones—but I think that was a bit of an anomaly; I think that had something to do with the ready-made report that the great C. A. Wright had on hand and which he sent over to the Attorney General.

But one notes, Mr. Chairman—and if my friend from Sarnia is in disagreement with some of his colleagues, perhaps I will be even more so—that the law of real property gets all the attention, and it was ever thus. It was ever thus in the common law, that the law of real property became the focus of more attention than the law of human rights. So you see this law reform commission was a long time exercised about mechanics' liens—that was an early subject of study—and they must have spent a good deal of time on that personal property security legislation that has not yet come into force, but indeed is the law of this province on the statute books. But a simple thing—just to illustrate the contrast—like paying a decent amount to a widow to bury her husband under The Fatal Accidents Act after he has been struck down by a motor vehicle and divested of his life, is a niggardly $300 that will only pay a portion of a modern decent funeral at the best, and that remains on the statute books. Though a member of the Opposition can put a bill on the order paper and have it debated in the House, he wants for influence with the Attorney General, who can initiate it himself at some later time as a justified and well-ordered reform.

One is not without some solace in making remarks in that realm because over here we struggled for quite a while to remove the inhuman approach to the gratuitous passenger and eventually were successful. That dreadful blot on the statute books of this province that deprived innocent people of just compensation was remedied to some extent, but without a far-seeing approach, because the negligence with an epithet—as it is well described by Lord Atkin, I believe it was, negligence with an epithet—ending up holding sway in that regard. It will be a few more years, I dare say, until that word "gross" is

taken out of the statute and it is put on the same footing as anything else.

The law of occupier's liability to remain in the realm of practicality will be some comfort to the Attorney General. He can drag his heels a little bit longer because the British are not yet a generation ahead of us there. That was only enacted, I believe—I would not want to hazard a guess, but it is fairly recently—it is in recent years that The Occupier's Liability Act became part of the law of the United Kingdom. So if we keep up that generation lag behind Britain, then gloomily I foresee that this gobbledygook that the courts engage in in determining liability for people who come on property, will be the order of the day in the courts. And that is a good illustration of how far the law gets from reality.

The television trumpets that one of the chain stores is having a monster sale with gold bond coupons and all the other attractions, and mother and the children are pummelled verbally through the press and television to come down and take advantage of these bargains. But if mother, in going down to the shopping centre, stops her car in an appropriate parking slot and gets out and looks and sees some ice on the parking lot, then the best thing mother can do, notwithstanding all the importunings, is get back in the car and drive home, because if she breaks her leg, having seen the ice, then mother is out of luck.

That is the gist of the case against Dominion Stores, 1962, *Ontario Reports*, and it shows the unreality of that branch of the law. In other words, in the collective society why ought not the property owner be responsible for those whom he invites to come on his land for his own profit and reward and against whose damages he may insure? That seems to me to be ordinary common sense, and indeed, in my illustration, Mrs. Smith, if I may ascribe a name to her, would recover damages under the common duty of care.

I have named three or four areas—there are many others—but the question really to the Attorney General on behalf of the people of this province and those who think about it, is that in this whole business of contributory negligence, for example—speaking in the realm of being human or just—the whole branch of the law needs a very searching, far-reaching overhaul. Scholars have questioned for a long time whether the innocent person should be affected by the negligence of another. The question to the Attorney General is "when"?

I will tell you part of the answer. Part of the answer is that for too many years this department was a prosecuting department. Its major activity was to pursue criminals through the courts, and its time was taken up and it was obsessed with the prosecution of offenders. The first citizen, a great man with labels, a couple of years ago changed the name of the department and made the Attorney General the Minister of Justice. He meant, by doing that, of course, to indicate or to suggest that the affairs of this department dealt with something more than the prosecution of offenders. If that is so, Mr. Chairman, is it too much to ask that this department busy itself in making a wholesale reform of the law? I think not. And I question, I dispute, with the greatest vigour, the notion that the Attorney General likes to lay around—he lays it around very expertly—that there can be no law reform without it going through the law reform commission. That, of course, is patent nonsense. Many reforms in many branches of the law could be made by initiatory legislation in this House without it going near the law reform commission at all. The common sense of many of the reforms compels their acceptance in terms of logic and humanity. For one thing, it strikes me as being very appropriate to point out that in less than two years' time the Attorney General is going to be involved in the revision of the statutes—if we are to have a revision by the year 1970. That would seem an appropriate time to me for an adequate staff of experienced lawyers to go through all the 1,500 statutes of this province and to determine almost a priority by an examination of them that there are many obsolescent features that ought to be removed.

On the other hand, there are many provisions in the statutes that are not consistent with the collective society in which we live. And such an essay as that has nothing to do with the law reform commission at all. The law reform commission need not be concerned in it. That is the exercise of an intellectual effort and a survey, an examination of the body of statutory law in this province. But I am becoming very discouraged indeed when I see that Sandwich, Windsor and Amherstburg effort and the law, in so many important areas that touch the lives and being of the people of this province, in crying need of reform.

Is it unfair to point out to the Attorney General that we had a three-volume report from the family law section? I forget how much it cost. We noted $30,000 at one time but I think the total cost was more than that. I think that was only one vote. They actually spent a good deal more and that three-

volume report on family law has been in the hands of the Attorney General for more than a year. Where is the legislation that ought to emanate from it, that ought to be before this House? Now surely to goodness—if my colleague, my alumnus—no I think she was a year ahead of me—my good friend Anna Bacon-Stevenson, who chaired up that committee—surely they were serious people and they intended that the fruits of their labour should find itself into, in many respects, into legislative enlightenment.

But are we to infer, Mr. Chairman, that the Attorney General only reforms the law in election years, and do we have to wait until the session of 1971 to see a great batch of legislation come in here or when may we expect it? It is as simple as this: The people of this province spending the vast—perhaps I will substitute the word comfortable—amounts of money that we have voted here for law reform are entitled to see some of the products of those labours introduced here in bills that might be examined, considered and passed by this House.

You will note by way of contrast that when you have a vigorous man at the helm—and I am not drawing any odious comparisons—like the Minister of Mines (Mr. A. F. Lawrence) and he chairs up a committee—upon which my friend from Downsview and I had the honour to serve, though as far as any reference we were lost in obscurity in the glamour of the Lawrence committee—how quickly the activities of that committee were translated into legislative action and bills put on the order paper.

What is happening in this law reform commission and why are we denied far-reaching reforms? I am not advocating—I want you to know, as a layman, Mr. Chairman, I want to impress upon you, I am not advocating anything wildly radical in the reform of the law. I am merely saying to you and I ask you to accept me at my word, that in many areas, the law of Ontario is behind civilization. Civilization has not yet caught up to Ontario. That is the proposition I ask you to accept.

A good illustration of that, Mr. Chairman, which will come immediately to your mind, is the generation gap at Ottawa in respect of the law of divorce, where the British again were ahead a generation ago in 1947 or so. They expanded the grounds but in these other areas that I—

Mr. Singer: They had a one man in the law commission, A. P. Herbert.

Mr. Sopha: Yes indeed, and Mr. Justice Macardie, the part he played in it ought not to be overlooked either. But that is the point I make to you, Mr. Chairman, that I cannot get through to this league of experts over here. I make that point to you—in these areas that I mentioned, other jurisdictions in the common law system are away ahead of us.

Believe you me, Mr. Chairman, and you would be the first to agree with me, I am sure, that in the law of real property there is no reason whatsoever that that law should be hampered by decisions that were made in the time of Henry I, and the earliest beginnings of the common law. We should strike out. We can branch these anachronistic and antique forms that surround the law of real property and bring ourselves up to date.

There are many other areas where reform is needed—but I suppose, over here, with my friend from Downsview and my friend from Sarnia and myself, it strikes us as rather bitter to contemplate the slowness along the other side because we are reform-minded over here.

We are usually actuated by desire for reform and not change for the sake of change, Mr. Chairman, but reform in the sense of the true Liberal—a means whereby the lot of the citizen is ameliorated; he is bettered by reform and where reform, upon examination, is found to be an inviting venture and one that will reward the lives and property of those affected by it.

It is for that reason that we are impatient over here and I do not wish to venture like my friend from Lakeshore, into any philosophical discussions of law reform in itself, but I see it purely from the pragamatic point of view and as a utilitarian—that when various areas are found wanting when subjected to the most cursory examination, society must come to the rescue and the rescuer is the Attorney General.

Before the end of the session, and probably two or three days before then, my friend from Downsview and I will put on the order paper a bill intituled The Law Reform Act, 1968, and in that bill we will go across several statutes of this province and we will put in there, the reforms of statutes that we think ought to be enacted. We shall do that for the same purpose as the Prime Minister indicated in his Business Corporations Act which was introduced here—so they may sit over the summer and bear the scrutiny of the practitioners of law in this province to ascertain if they are worthy.

Now, in order to demonstrate that there is pith and substance, to use the constitutional phrase, to what we say, I will enjoin and persuade my friend from Downsview and my friend from Sarnia, to join with me to make a survey of some of the statutes and to include in the compilation, many of the things we have advocated in this House. We will lay that statute, called The Law Reform Act, 1968, in the British method. That is the way the British bring their law, or one of the ways they introduce a bill that might cover any number of statutes.

It has never been used as a legislative device in this province to my knowledge but the final responsibility for that type of thing must rest with the Attorney General who, more than anybody else in the Ministry, has control of these things and the content and character of legislation that deals with that head of jurisdiction under section 92; property and civil rights, as well as the administration of justice in the province.

Mr. Chairman: Vote 204?

Mr. Shulman: Mr. Chairman, under law reform, there is one matter that I would like to mention with some trepidity. I know the lawyers in the House are going to become upset, as they always do, when any matter comes up that affects them as a profession.

There is one particular law reform which I feel is long overdue in this province and I think it is extremely essential because it has been driven home with great tragedy in the last few weeks. I am referring to a large number of individuals in this province who have lost large sums of money, in many cases their life savings, because they put their trust in a lawyer who, through breach of faith, literally stole their funds from them, used the money for personal or other reasons, went bankrupt and the people were left literally helpless.

I would like to give as an example, the story of Mrs. Josephine Ferraro. This is an Italian lady who lives at 435 Caledonia Road and she had saved up a few thousand dollars and bought a house. Subsequently, she had to sell that home, and with the realization of an equity of $4,000 out of it, she could not sell the house without the benefit of a lawyer.

She went to a certain Mr. Wineberg who handled this for her, but he took the money for his own purposes and squandered it. When she asked for her money it wa snot there. She kept phoning the lawyer, and his secretary said that he was not in, and finally, he told all his clients that the money was gone, he had squandered it all. I believe that he subsequently was charged and sent to jail.

Now, it had been the custom of the law society to reimburse people who lost funds as a result of the crookedness of their members and so they gave Mrs. Ferraro back, not her $4,000, but $1,600. This was a tremendous loss for her because this money had been saved very painfully, and she came to me. I approached the gentleman at the law society who was handling this particular matter, and his reply to me was, "We only gave her $1,600 because there have been so many lawyers stealing money recently that we have not been able to raise the fund large enough to pay all the losses, so we paid a portion of her losses."

Now, I would like to suggest that there is a law reform needed here. Surely the profession as a whole should be required to maintain a control over their members so that this should not become such a common problem.

They should, I feel, by law be forced to raise sufficient funds from their members to protect those clients, those members of the public who, through no fault of their own, completely innocently have their money literally stolen from them. To send the lawyer to jail for two or three years, as happened in this case, is no redress or help for the person involved. This is a little different from the case where someone comes in with a gun and takes your money at gunpoint or threat of death.

Here is a case where you go in faith, supposedly to a reliable, honest man. There is a duty on the part of all professions to govern themselves, and a special duty on the part of the law society to maintain the integrity of the individual members and to guarantee that integrity by collecting a sufficient large fund through the collection of dues, or by whatever means you will, to protect the clients and I would like to suggest—

Mr. G. Ben (Humber): What about doctors?

Mr. Shulman: Doctors are not in the habit of stealing money, I am happy to say.

Mr. Ben: Very interesting!

Mr. Shulman: I would like to suggest to the Attorney General that this is a matter which does require his attention. I would ask him to look into it.

Mr. Chairman: The member for Lakeshore.

Mr. Lawlor: Mr. Chairman, a question directed to specific matters. In previous years, the item which is now called maintenance, was covered in the public accounts—last ending 1967—under "miscellaneous." The amount under that figure was $41,400, approximately. Now, as they come through, it is under maintenance, and it is a substantially smaller sum than the one I mentioned. Perhaps the Attorney General could give some indication of why the reporting to the Legislature was altered, and, secondly, something of the reduction itself?

Hon. Mr. Wishart: Mr. Chairman, I wonder if I might make a few brief comments. Of all the speakers who have expressed views with respect to this vote, I would like to say that I think that the House and members are indebted to the member for Lakeshore, who reviewed very thoroughly the whole business of the law reform commission, its activity, and its report—I thought he commented in a very capable way, if I may say that, about the way in which the commission was carrying on. He criticized certain features, very constructively. The member for Sarnia likewise.

I would like to deal with the items which I felt that I should, and I made a note of some of them. The personal property security legislation enacted as a result of the report and the study of the Caplan committee—that was not, as the hon. member for Sudbury might be interested to note, something that was initiated with law reform. He seems to be under the wrong impression that everything that is brought forward in the legislation, in the way of new legislation, which I think may be properly termed reform, originated with the law reform commission.

Perhaps while I am on that matter, I might point out to him that legal aid did not originate there. Personal property security did not originate there. Every Act, every bill, and I think that there were 40 which I introduced last year in this Legislature, has some reform in it—some measure of change, some repeal, some deletions and additions. As the report of the law reform commission indicates, there were only a half dozen matters which were reported to us last year, on which we moved, to bring in legislation. I have amended The Registry Act, The Land Titles Act, The Police Act, The Fire Act, The Fire Departments Act, and many Acts too numerous to mention in these short remarks. They do not originate, necessarily, with the law reform commission.

Mr. Singer: Now you are playing with words.

Hon. Mr. Wishart: No, I shall deal with this matter at more length before I finish too. The Personal Property Security Act, for instance. When brought down, we reckoned and estimated that it would take five years to make it effective. We deliberately felt that it would take that much time to phase out the things which are affected by the legislation—such as bills of sale, chattel mortgages, conditional sales, liens and to bring in the change of laws, to let those contracts which were dependent on the present laws to wane, so that they could work themselves out. Then we could bring in the administrative side, the computers, and the equipment for the registries that we have envisaged in that legislation, which will simplify and make it possible to do our contract in that field of our economy more quickly.

We felt that this would take five years, and we have four years to go. It may be possible to achieve the result of effecting that legislation and implementing it into action in less than that time, but let me say to you that it is not just a simple matter of passing that bill today, having it proclaimed tomorrow, and it is then in force. There is a great deal to be done in the way of providing facilities and machinery, and in its effect on the contracts which are written under bills of sale—as I say, chattel mortgages, conditional sale agreements and all the other areas of that personal property Act. So that was a particular point raised by the member for Lakeshore. I wanted to deal with it.

The Expropriation Procedures Act, or The Expropriation Act, as it might be called, was raised by both the member for Lakeshore and the member for Sarnia. I would think that the member for Sarnia, particularly, asked me for my views on whether, in that legislation it should be the government's policy to pay for legal counsel for the expropriatee, and for the assessors' charges, evaluation and so on. I would like to say this, and I will express my thinking on this point. We have in tow and in preparation, an amendment to The Expropriation Procedures Act, and I would ask hon. members to note that the matter of the basis of compensation was referred by the Attorney General to the law reform commission. That,

we felt, was most important. The commission points out in its report, that the matter was referred to them.

We felt that we had a fairly, but by no means perfect, Expropriation Procedures Act, but that we lacked—and this was something that was not dealt with by the select committee of the Legislature some four or five years ago—we lacked the logic or premise, or basis, on which to found a formula for compensation of property taken. We asked the law reform commission to deal with it, and we were preparing legislation on the basis of the report which we received. When the hon. Mr. McRuer produced his report on the enquiry into civil rights and went considerably broader than our reference to the law reform commission had required or had asked. He went into the whole matter of compensation, or expropriation rather, and historically dealt with the principles behind it and went into the matter of procedures modus.

The question of appeal, the question of evaluation, the questions of payment and so on, he dealt with. He dealt with compensation as well, and it has to be borne in mind that Mr. McRuer sits as a member of the law reform commission. He is a former chairman, and now I believe, a member or vice-chairman—certainly a member of that commission. So, faced with that broader point of view, we felt it wise to take it into account. We did so, and the legislation which was promised in the Speech from the Throne, the expropriation bill, provided equitable means of compensating for property taken and means of carrying out and achieving that objective. It is in our hands, and has been studied, not only by the legal staff but, I may say to you, by my colleagues in all departments of government. And, as Mr. McRuer has pointed out, there are 35 statutes in Ontario giving expropriation powers, so that it is necessary that there be a broad field of study to get the views, and to ascertain the effects of expropriation in all these fields. We are moving, and have moved, I may say, as quickly as was reasonably possible. We shall be producing that legislation, I would hope, soon—I will not attempt to fix a date. We shall be producing it, and I think then, to answer the enquiry of the hon. member for Sarnia, I think that would be the appropriate time when I produce the legislation to say, "Here is our policy."

Mechanic's lien—we have that report. This was one of the questions raised. We have the report of the law reform commission, but I must tell you that there has been so much difficulty, so much opposite opinion, between the construction group and the suppliers that the law reform commission had to hold extra hearings, actually after producing its first report, had to provide hearings again to get the points of view which have not been reconciled.

Now I do not say that we have to wait until these points of view which are, I think, perhaps irreconcilable, are reconciled, but we want to feel that when we do produce legislation in this field, which is a confused and unsatisfactory area, that it will be a satisfactory piece of legislation.

I do not suppose that you can meet everybody's approbation or get that but it will be as reasonable, as logical, as helpful as it can be. So we have not been able in the light of the views that have been expressed—and this has been going on right up to recent weeks—to produce that legislation just yet.

The hon. member for Lakeshore mentioned limitation of action and asked if we had received the report on that. We have not. I note the commission says they have completed their study, or words to that effect, but they have not yet delivered to us a report on the matter of limitation of actions.

Now I would like to take a moment just to deal, I see the hon. member for Sudbury has returned, and it is very nice to hear him extol the British system of—

Mr. Sopha: I always did, is there something sinister in your words?

Hon. Mr. Wishart: No, I think not. It is nice to hear you extol that for which I have much respect but let me tell him this, I have great respect, too, for the way the British approach their legislative problems.

I was not able to find a report I read, I think it was when I was back at law school, perhaps earlier than when the hon. member for Sudbury was there, the report produced on the real property system in Britain. That was in 1928 or 1929 and it has not yet been implemented.

Mr. Sopha: How about The Real Property Act 1935—what is the year of that Act?

Mr. Bullbrook: 1925?

Hon. Mr. Wishart: Yes, 1925.

Mr. Sopha: No, not the Act.

Hon. Mr. Wishart: That is the report, not yet implemented. I do not think you will find

any registry office in Great Britain, no central system—

Mr. Sopha: Anywhere in great Britain?

Hon. Mr. Wishart: You have to get the deed out of the lawyer's office. When we were studying The Consumer Protection Act, we could find nothing approaching that in the law of Britain.

Mr. Sopha: You were pretty weak on real property—

Hon. Mr. Wishart: As I say, no central registry, no Consumer Protection Act. I do not believe there is any law of condominium there, as far as I can discover when we were preparing our legislation and I think that is quite an advanced piece of legislation. There are some things in which I think we have moved.

Mr. Singer: It is pretty hard to raise mortgage money.

Hon. Mr. Wishart: Well, it helps.

Mr. Singer: How many times has it been used?

Hon. Mr. Wishart: However, I have heard the hon. member make a great fuss over the Sandwich and Windsor railway report which was just a small thing, six pages, like this, and he said—

An hon. member: Too expensive!

Hon. Mr. Wishart: Well, it did not cost much.

Mr. Sopha: What is wrong with a phone call?

Hon. Mr. Wishart: It was not a hard cover. A curious thing was that although he said all this could have been done by a telephone call—that special limitation existing all down the years to that particular railway—it was curious that when the law reform commission brought it to the attention of the House, the hon. members are quick to decry its importance. Yet never will you find on the pages of *Hansard*, where you stood up in past years and said, "That should not be there", I do not think you will find that.

So I think you might give the law reform commission some credit for having located that area of injustice and removed it because I cannot find that any of the hon. members raised the question at all until the law reform commission wrote this small six-page report.

Mr. Sopha: I never heard of that railway.

Hon. Mr. Wishart: No? I think you ought to give the law reform commission credit for having discovered the railway and discovered the injustice and having it removed.

Mr. Chairman, I would point out that the estimates of the law reform commission this year are somewhat less than last year. A total of $190,000 this year and I can recall the hon. member for Downsview—I think it was two years ago, I have not got the *Hansard*, but he will recall, two or three years ago—saying in the estimates of the Attorney General, "You do not do enough research, you do not spend enough money".

Mr. Singer: Hear, hear!

Hon. Mr. Wishart: "—you do not get enough academic people, you should be doing research in the field of law," and I think I stood up and agreed with him. I think he was right.

Mr. Singer: You would, now you are cutting back on your estimate.

Hon. Mr. Wishart: No; very little.

Mr. Singer: That is what you said.

Hon. Mr. Wishart: Yes, less than last year; $213,000 last year, $190,000 this year. I agree with him and you will find that the law reform commission in its projects on family law; on real property; on the law of evidence; the limitation of actions; that these things do touch the lives of these people very close to the family law and property law. They are employees, professors, law professors and academic people from our universities and law schools all across this province and to some extent from outside Ontario, doing research which I think is most valuable. And I think, Mr. Chairman, when you spend $190,000—

Mr. Singer: Did my colleague from Sudbury say you should not do this?

Hon. Mr. Wishart: No, but he seems to decry the fact that we are spending this much money.

Mr. Sopha: Without any evidence of a product.

Hon. Mr. Wishart: Well, if the hon. member cannot see the evidence, I do not know how I can enlighten him. The evidence of the results are all before us, in legislation, in courts and in the way we are moving. I say, Mr. Chairman, that I think this $190,000 is the best value for this estimate, or of any

estimate we could vote in this House, in any department.

I think it is well worth the money. I can think of nothing that should be supported more by members of this House than in the field of research and study and reform of law. That is my sentiment with regard to this estimate.

Mr. Singer: Mr. Chairman, the Attorney General bridles under criticism. I have seen this technique used by him before and he loves to compliment a theoretical speech, sir, such as was given by the member for Lakeshore. It sounds nice, and it pats somebody on the back, but it does not really get down to the meat of the issue. With due apologies to the hon. member for Lakeshore and my colleague from Sarnia, they are new boys in the House and they have not suffered the growing pains of this law reform commission, as my colleague from Sudbury and I have.

Mr. Chairman, nobody in this House would have objected one whit if the estimate for the law reform commission had been increased from $213,000 to $250,000, provided we were satisfied that you were turning out a product. This is the concern my colleague from Sudbury and I share, and have shared, since we began to talk about this, since we began to talk about law reform in this House.

Mr. Chairman, the Attorney General is quite right when he says that a couple of years ago I criticized him severely for not spending enough money, and I agree. I repeat that criticism. The Attorney General apparently has been reading my speeches and I would have hoped he would have paid more attention to them than he has because what I said then, I repeat now, and I am not going to read the whole thing to you. If you want I can get it out and read it all over again but as the Attorney General shakes his head, I will not do it. I just say you are not doing enough and it is not coming through quickly enough.

I agree, Mr. Chairman, with the views put forward by my colleague from Sudbury when he says the concentration has not been sufficiently directed to things affecting people; that it goes more to matters concerning property. I would like to see a real study done into the fields that concern the magistrates' courts and the law of evidence. You are beginning to nibble at it, but what have you done about trying to determine what to do with the chronic alcoholic—the fellow that Magistrate Bigelow deals with so badly? What have you done about that? Surely that would be a task that would be well worth the while of any law reform commission worthy of the name.

What have you done about the teenagers who come into courtroom No. 23 in Toronto day after day who have social problems, who are disturbed, who are emotionally unhappy, and who get sent off to one or other of the places they get sent off to? What have you done about taking those people away from the courts and providing proper social services to treat them? What have you done about that? That is the thing that I think the people of Ontario would like to see. Surely the law reform commission could turn its mind to a better system of magistrates' courts.

I cannot deal with this at too great length, Mr. Chairman, because it comes under a separate vote. It is under vote 207. But what have you done about the sort of thing that Howard James wrote about in his book "Crisis of the Courts"—which, incidentally, I may say, Mr. Chairman, to give full credit to the chairman of the law reform commission, he was the first person able to produce for me, and very kindly lent me, the bound copy of the book, and I have it here. What have you done, Mr. Chairman, about directing the law reform commission into the kind of reform that Howard James talks about in this Pulitzer-Prize-winning series of articles that was published in the *Christian Science Monitor*?

That is the sort of thing, Mr. Chairman, that we think the law reform commission should have been directing its attention to. The Attorney General says, "I brought in umpteen statutes and each one of them is a bit of law reform," but when you look through them, the ones that have come through this year, and it is not law reform, it is crossing the t's and dotting the i's and changing the grammatical errors, and that is all it is.

Law reform means really, at least in my mind, Mr. Chairman, getting to grips with the anachronisms and the archaic shibboleths that we have in our law. They are there for no reason and continue on merely because the man charged with the responsibility by the government of Ontario has yet to come to grips with this problem. When the Attorney General begins to seek refuge in the fact that two years ago I criticized him for not spending enough money, I again repeat that criticism, Mr. Chairman. When he tells us that it is a little bit reduced this year I think he should be embarrassed to

say that they have cut back on the money allocated to the law reform commission instead of substantially increasing it.

Mr. Sopha: Mr. Chairman, I only wish the Attorney General would see that there is no department of government which affects the flavour and the quality of our society more than his own. The Department of the Attorney General, within its jurisdiction, goes to the very essence of our society, how we behave, and our relationships with our fellow men. Departments like that of the Minister of Tourism and Information (Mr. Auld) are just marginal frills on the thing—looking after some relatively unimportant aspect—but what I am saying is that the very essence of our society is determined, to a large extent, by the activities of this department.

One reason I get up is to share with my friend for Downsview his enthusiasm for the spending of money in this area. It is useful, Mr. Chairman never to lose sight of the fact that the member for Downsview and I do not run things around here—it is useful to remember that. However, I merely want to protest that he and I have our responsibility of putting forward the propositions which we think commend themselves to common sense, and against that background I say that I share with him his enthusiasm that we might spend a great deal more in this area.

The Attorney General seeks, and he did so very weakly, to defend this law reform commission for that little pamphlet about the railway in Windsor. Goodness gracious, Mr. Chairman, am I being unreasonable when I say that rather than that little dissertation on that railway, might we not have expected some survey of the whole field of the law of limitations? Did it have to be constricted to the Sandwich, Windsor and Amherstburg railway? Could they not have expanded their hours of study of the law of limitations and let us have some kind of a report on that whole rubric of the law?

I am not going to take the time or tarry to look back in my previous speeches, but I am going to tell him this, that I was talking about the inhumanity of the law of limitations long before this law reform commission was founded, several years before it was founded. I took the opportunity to make observations in this House about the injustice that stems from these artificial limitation periods, and I merely want to say that I welcome the day when that law reform commission grabs hold of that whole Limitations Act and puts it in language that is somewhat comprehensible and goes through the various statutes and determines what shall be a practicable and just limitation period.

Then I want also to protest that my friend from Downsview and I read some books on the subject. We have a lot to read. The leader of the Opposition imposes upon us a terrific responsibility to do a lot of reading, but we have to read subjects affecting several departments. He has one in his hand there—a very good book which I read. I read one that is in the library and I looked in the back to see how many other people had had it out, and only one other subscriber has had it out. It is called "Law Reform Now," a British publication.

Mr. Singer: It got into the library because we suggested it.

Mr. Sopha: Yes, we suggested it be purchased by the library. It took a long time to get it from Britain. I have great admiration for the British system—I do not care much whether John Graves Simcoe is resting in peace or not—but I have a great admiration for the British system of government and its importation into Canada and the changes that we have made in it to suit our own environment, our own needs and the desires of our own people. It has been a work of genius, I say to the Attorney General.

But the authors of that book, very able lawyers, say the whole law of contract is a mess and it is no longer consistent with the business forms that we pursue in this province, the commercial life to which we are so committed. They say the law of contract is not an appropriate vehicle to pursue our economic life efficiently and with a diminution of expense that we encounter.

So, all the member for Downsview and I are really saying is, let us have a quickening of the pace. I have heard the chairman of the law reform commission—a very able lawyer and a well recognized legal scholar—say: "These things must be cogitated upon." Oh, yes, what was his phrase? I am blessed with a good memory; I recall his phrase now. He said—and I will not do butchery to it: "Law reform is not something to be thought of on an idle summer's afternoon." In other words, it is not the vehicle for passing cogitation. He meant to imply that it is a very serious business.

All right, I accept that, but I say also that society moves too fast to wait. In this modern age, we just cannot wait, we are impatient,

and intolerant of delay, and the people out there on the street that we represent are not willing to tolerate the academic approach to reform, they want it yesterday, that is the way the world moves. And they are right.

When the statutes contain inhumanities, when they provoke situations that lead to injustice, then people are right to be intolerant of delay. Those things must be remedied tomorrow, because a society that respects itself does not have to wait for cogitation and study and research. But, of course, this government is the most studious government that ever existed on this continent.

Before doing anything, they have to study any phenomenon from at least four different vantage points and by several committees or advisory groups or some other mechanism before they will finally see the light of day or see the necessity crystallized in legislative action. To say that, is to speak about the story of our legislative lives, because my friend, the member for Downsview and I have observed that over many years.

Well, we are not asking, I want to emphasize, for radical innovation at all; we are not demanding experimentation or a wild venture into legislative adventure. No, we are not. We are asking for practical reforms in the law in the areas that I have mentioned—and I could dredge up many more areas—and we are asking for it at an early time and we will settle for nothing less. Now that takes me back to saying that he and I—able lawyer that he is—do not run things here. No, we do not.

But as long as we are carrying out our responsibilities, he and I will be on our feet in this Legislature protesting the common sense of this action. We only hope that at the next session the Attorney General will not come in with the usual "passel" of legislation that he comes in with—and he did not have as much this year as he had in previous years—the technical corrections and housekeeping amendments, well illustrated by the innocuous bill that the Attorney General usually introduces on the first day of the session.

Well, that is not going to saitsfy my friend, the member for Downsview, and my friend, the member for Sarnia. And, by gosh, I am encouraged with the knowledge that whereas my friend from Downsview and I are getting to be old hands around here, that we have a fresh breeze of intellectual excitement back there on the back bench that in many ways will give a new verve to the law in this province. And we welcome his participation.

The last thing I want to say is that I have been disturbed over the years by the personnel of that committee, the law reform commission. And they are all very good lawyers. Some of them are friends of mine. Mr. Chairman, why is it, when this government sets up a commission, it is always composed of these people from the gold brick firms downtown? Why do you not get some struggling, threadbare lawyer sometimes that might be impelled by a gleam of missionary zeal?

The product of this commission, you see, is a reflection of who they are. Probably 31 of those fellows come from a firm with at least 30 lawyers in the complement. The head of the firm probably does not know them all, but they deal with these exotic matters in the law of real property and it is no coincidence nor is it an accident that these people come to the law reform commission and say, "Look we have to reform the law on mechanics' liens, that is bothering us, and we have to look at the law of wills". That is a lot of their business, and I would not doubt they will be after the law of succession duties next; that will be high up on the agenda.

But if the Attorney General searched around—I will tell you the name of the person, I do not want to leave this in a vacuum—if you put a fellow like Aubrey Golden on that commission, I would guarantee you that it would be dealing with human rights. I am not going to get into the matter of the drunks and the penchant for this government to put people in jail.

We are going to deal with that under the administration of justice where we may be much more discoursive on it, but my plea, and it is a very serious matter to me because I am a reformer—I am in the tradition, I hope, of Mackenzie and Baldwin and Blake, and yes, Maskenzie King and Liberals of that stripe.

I do not want to sit around this Legislature year in and year out unless I see some improvement in the life of our people, resulting from the quality of the legislation that passes through here. That can be the only justification that I have in being so silly as to come down here year after year and participating instead of having my feet up and playing with the children at home.

Well, a person has to get justification from somewhere. I get it in seeing improved legislation, and that is the business of this law reform commission. I say to the Attorney General that, commencing next session, I hope we see some product out of that commission that will take Ontario—and he can have the praise, like all of his 22 colleagues over there—into the forefront of the nation,

if not the universe, in the reform quality of the legislation. And he will find on this side that my friend from Downsview and my colleague from Sarnia will be the first to hail the validity and merit of it. We will be on our feet; we may say that it is long overdue and we may be excused for that little qualification, but our votes will be behind that legislation also.

Hon. Mr. Wishart: For the benefit particularly of the hon. member for Sudbury, I should put on the record a portion of the report of the Ontario law reform commission, because with all his readings, he does not appear to have read it.

Page 17, under the heading, "limitation of action," I read this because he spent so much time on the Sandwich and Windsor railway and went on to say that he would have hoped that there would be a study and report on the whole matter of limitations. Now he does not seem to be aware that this study has been going on for some time. And I should like to read this, Mr. Chairman. This is paragraph 61 of the Ontario law reform commission's annual report:

> A comprehensive research project involving the law and limitation of action was initiated by the commission in 1965. Much of the law on this subject in this jurisdiction is very old.

They go on at some length to outline the work that is being done, the difficulties, the archaisms and the anachronisms that are in the law; the references to the people they have consulted; the laws they have looked at with the view to reaching reform; and in paragraph 66, the commission has completed its deliberations and its report to the Attorney General containing its findings and recommendations is now in course of preparation.

So I just wanted to set the mind of the hon. member at rest that this whole field of limitations is being studied. The report is now being prepared and it was out of this study that the little matter over which we took so much time—the Windsor and Sandwich, or Sandwich and Windsor railway—arose.

Mr. Singer: Are you sure of that? My friend from Windsor-Walkerville (Mr. B. Newman) told me where he thought it came from. He said that over the years the lawyers in his city have petitioned everybody in sight to get this changed, because they are the people who deal with it. They thought it was a great anachronism. That is where it came from—not out of this study at all.

Hon. Mr. Wishart: I think it came in a different sense—it was in the study of limitations.

Mr. Singer: Oh, I see.

Hon. Mr. Wishart: Well, I would not say it was initiated; it came out of the whole study of limitations.

Mr. Singer: I think that my friend the Attorney General instead of criticizing my colleague from Sudbury for not reading should find out whereof he talks, before he talks. I use another example.

Hon. Mr. Wishart: I think your friend—

Mr. Singer: Mr. Chairman, the Attorney General mentioned the law about condominium and hailed that as a great reform. I have enquired from many of my legal colleagues in the House—I have asked my colleague from Sudbury, my friend from Sarnia, my friend from Kitchener, my friend from Dovercourt, my friends from Halton—none of us has come across a single instance where that law has been made use of. Could the Attorney General tell us on how many occasions the law of condominium has been used?

Hon. Mr. Wishart: No, Mr. Chairman, I would have no way of knowing off-hand. This is a recent law. It came in the last session. But if the hon. member wants to make these enquiries broad enough, as we did in preparing the law and in studying it as a law reform commission, he will find that it is used with great effect and great benefit, not just in this continent, but all around the world.

So that I assume that now having passed the law, and giving our people the opportunity of using something that has proven very effective in providing housing, that we will find that it will be used. Just to say that it has not been used yet, is not, I hope, to condemn it.

Mr. Singer: Oh no, I did not want to condemn it. I just recall the remarks of the hon. Minister of Economics and Development —or is it Trade and Development now—that this was one of the magic solutions that we had to solving the housing crisis. That was a year ago.

Then the Attorney General could not retain himself this afternoon with telling us

what a great reform they had brought in by giving us a law on condominium. And I was just forced to comment, Mr. Chairman, in view of all that fulsome praise, that I had not found a lawyer in this House who knows of it being used yet, even though it has been on the statute books for a year.

Mr. Chairman: The member for Lakeshore.

Mr. Lawlor: Prior to the fairly lengthy reply by the hon. Attorney General of the overall thoughts that we had had on law reform, I had asked a specific question arising out of the budget accounts of the public accounts in the last full year which we have, and I would press him on this matter, at this time.

The figure has changed under the term "maintenance", from 20 to 23. I am not taking exception to that, I am simply saying that under "miscellaneous" it was 41,400 the previous year, that is in the 1966-67 full year. Why is the alteration, and why is the changed nomenclature? That is the number one question of a very specific kind.

Arising out of the debate that has gone on so far, I would like to advert to the family law sections of the law commission's work. I did not say much about it in passing. However, a few questions do strike me that are of considerable interest.

In the report they mentioned that there would be a full day's discussion by the members of the legal profession at the annual mid-winter meeting of the Ontario bar, that meeting took place and they had numerous panels. I was pleased to attend it and heard the discussion on balancing claims and resulting trusts and a host of fairly complicated matters. I do not think it brought any great light, and less heat, from the assembled brethren.

Nevertheless, it was indicated then that these panels having met, something would be forthcoming by way of legislation. Section 50—paragraph 58 of this report—then says it is anticipated that the remaining subjects of the project, the entire study by the research team, will be completed in 1968, and these additional subjects are listed at some length. Among them is the structure of a tribunal best suited to deal with matrimonial causes and family law generally. Recently we went through a considerable, if not tortuous, debate on the setting up of a tribunal in this province to handle precisely these matters.

My question has to do with whether or not the proposals or the tentative proposals of this law reform were taken under consultation. Were they available even at the time that we got into the business of reforming the structure of family law justice in this province through the courts? Did we, or did you, have available at that time a background report or some form of consultation that is going on under the general auspices of Professor Baxter towards the range and the pertinency of the courts that we have set up in the past couple of months which are handling matters of precisely this kind?

Whether, in other words, the law, the family law, the commission, had taken into consideration the kind of thing that we were doing, that we were not missing the boat in any way? And that perhaps these courts might have been set up somewhat differently with a different structure—maybe a division between the criminal and civil jurisdiction—which might have been more far-reaching than it is under our new legislation? In other words, did you have this opportunity to get the considered judgment of people working in the area of family law?

Hon. Mr. Wishart: Mr. Chairman, to answer this specific question, first about a relationship of the miscellaneous item as it appeared in last year's estimates, and our maintenance this year; these are really the same. Maintenance covers what was miscellaneous before, and you will have observed, I am sure, that the miscellaneous items last year are spelled out in detail amounting in total to $41,433.78. This is one item which is less, considerably less, in our estimate this year. We have just included in maintenance the type of thing that was in miscellaneous last year.

With respect to the matter of family laws study, this has been going on, and is continuing. The papers we received were not the report of the Ontario law reform commission in this matter. They were the background. There were certain background studies and background papers, and in presenting them to us not too long ago the law reform commission said: "We are now proceeding to prepare our report. You will receive it in due course."

The documents which we received were certain background papers prepared by various eminent people who were working on this project. I am not sure whether the hon. members know that this family law project is headed by a professor I. F. G. Baxter of the faculty of law of the University of Toronto, and he has with him research

fellows, and consultants engaged on a part-time basis: Dean T. G. Feaney of the faculty of law of the University of Ottawa; Professor J. D. Payne, of the faculty of law, University of Western Ontario; Professor Dean Mandis De Costa, of the Osgoode hall law school; Professor John Swan, of the faculty of law, University of Toronto; Professor E. R. Alexander, of the faculty of law, University of Toronto; Paul Reid, graduate in sociology at York University, and several others, whom I will not name. The papers I say that we received were some of these background papers, and the hon. member for Lakeshore further directs these questions to me.

Did we make use of, or did we have the benefit of anything further in preparing our —I take it that he is referring to The Provincial Courts Act? Particularly the juvenile family court side?

No, Mr. Chairman. I know that all hon. members are aware of the hon. Mr. McRuer who sits as a member for the Ontario law reform commission. He, as you know, spelled out, and at quite some length in his present volumes of the inquiry into civil rights, the type of court which we should have for our present magistrates' courts—how they should be designed, how they should be upgraded, and on the juvenile and family courts side—as you I am sure very well know—the considerations which should apply there are spelled out in great length. We did take those into account, and I feel quite certain that we took those into account almost without exception. I feel quite certain that the hon. Mr. McRuer sitting as he was, a member of the law reform commission, and presenting that report of his to us, was expressing, I am sure, the concensus which would have come forward in the law reform commission on that side.

Mr. Chairman: On vote 204. The member for High Park.

Mr. Shulman: Mr. Chairman, is the Attorney General going to answer the query which I directed to him some hours ago?

Hon. Mr. Wishart: Yes. I regret that I did not. I have a note of it here. The only note I made was when the hon. member said that the law society—he said he was in touch with the discipline committee—and said they did not have enough money. Has the hon. member got a letter to that effect? No? The reason I ask is this. I know that there was a period, I think some two years ago, when the fund created from the contributions of lawyers —and they were all assessed to that fund—I know there was a period when that fund was not capable of meeting the defalcations which had occurred. Steps were taken to fortify the fund, and further steps were taken to make more frequent inspections and audits of lawyers' accounts, and my understanding is that that fund was restored and has been capable for some time of meeting all claims that are properly proven.

Now, I am not questioning the hon. member's understanding of the answer he got, but I think I have a feeling that perhaps the claim was not proven in the manner it should have been—I would like to see the hon. member bring this to my attention. If he will bring me a statement from the discipline committee of the law society of Upper Canada, saying that we have not go the money to pay the claim, I would be very interested to see that. I am very interested because I pay into that fund, and my clear understanding is that it is capable of meeting all claims which are now against it, and that it will be maintained in that way.

Mr. Ben: Will the Attorney General permit me to assist?

Hon. Mr. Wishart: Well, just allow me to thank you.

Mr. Ben: You are a little off base here. I think if your memory serves you right, there was an amendment a while back which limited the amounts paid to any one solicitor defelcating to $50,000, with a maximum of $15,000 to any one client. Now, in this particular instance, the lawyer in question went for roughly a quarter of a million. So in this instance—

Hon. Mr. Wishart: This is $1,400?

Mr. Ben: No, the claim here was for $4,000 and she received only $1,600. There was a limit of $50,000 for a lawyer defalcating—although they have gone over sometime—and a limit of $15,000 for any one client or claimant. It is conceivable that in this particular incident, they have pro-rated, because the claim was so much above the maximum they pay.

Hon. Mr. Wishart: Well, I appreciate the hon. member's desire to be helpful, and I think he has indicated some further information, but I do not really believe that is relevant to this case. If the hon. member for High Park will get me a statement that they will not pay because they have not got the money, I will be glad to follow it for sure.

Mr. Shulman: To elucidate this a little further, this particular lawyer did not just have

this one claim. He had a very large number of clients whose money he had somehow spent. I would like to ask the Attorney General, is that correct still? Is that the situation at the law society, that there may not be payments over $50,000 for a crooked lawyer? Is that the situation?

Hon. Mr. Wishart: If someone is in the position of claiming an amount larger than $50,000—that they put in the hands of a lawyer—the rule is, I think, that the fund will entertain up to $50,000, but not beyond that on any one claim.

Mr. Shulman: That is not the question I am asking. Is there a limit for a lawyer? In other words, if a lawyer has a large practice and manages to go, as in this case, for $400,000, is there a limit beyond which the society will not go, and they pro-rate it among all the clients? That is my question.

Hon. Mr. Wishart: Offhand I must say I do not know. I could get the answer for the hon. member.

Mr. Shulman: May I suggest to the Attorney General—if the member for Humber is correct, and I believe that he is from what I understand in this particular case—they did not say they did not have the money, they said the number of persons getting into difficulty in this way, and the number of claims had made it impossible to pay the full amount. If that is the situation, it is a very bad situation, because we have here a very successful lawyer who turned out to be crooked, just as a very moderately successful lawyer may turn out to be crooked.

May I suggest that I agree there should be a size limit for individual claims. There is no question about that, but I do not think that there should be a limit per lawyer. I think it is important, it is essential, that the society make sufficiently frequent checks on lawyers' finances so that a lawyer with this large sum of money will not get into such great difficulties. Surely the person who is putting in $4,000 should not get back only $1,600, because 200 other clients also lost money. There seems to me, to be a flaw in the logic.

Hon. Mr. Wishart: Well, Mr. Chairman, I would like to add this. The hon. member raises this by way of a suggestion that this is an area of law, he suggests, in which we—

Interjections by hon. members.

Hon. Mr. Wishart: Yes, I get the point. He raises this because he says this is an area of law into which, as a government, we should legislate to protect people who suffer from the defalcations of lawyers. Well, perhaps this is a point worth certainly considering.

I would say that I want to make it plain that the government does not, the Attorney General does not administer the law society of Upper Canada. At this time, it is a self-governing profession, subject to certain legislation in The Law Society Act, subject to certain regulations, subject to certain control. But it has its own discipline, its own members belong to it, and I think down through the years, it has operated perhaps not too badly. Maybe in our present day and age with large sums of money, and with the way in which our economy moves, perhaps a further study should be applied here.

Now, I perhaps could tell you that, as you are aware, Mr. McRuer made certain recommendations also, relating to all the professions which seek legislation to govern themselves. You are aware that the professional engineers presented a bill which we had assisted them with and having given it first reading, to provide the self-publicity, we would complete it this session.

I am, I think, able to advise you that the law society of Upper Canada is anxious to present legislation also, for its members, and we are asking that study be done in this field to take count of the recommendations made by Mr. McRuer and other matters such as those raised by the hon. member.

So we will perhaps be producing, before too long, legislation in this field.

Mr. Sopha: Since we are speaking about law reform and this matter of the law society has come up—and many of my brethren downtown in the profession never thank me for this—one reform that I might advocate is that that society should recognize that nothing named Upper Canada has existed around here for 143 years.

Hon. Mr. Wishart: Are you really upset?

Mr. Sopha: Well, 1841 to 1968 is 127 years when there has been nothing named Upper Canada that you could put your finger on. They might start with changing the name of that society to—

Hon. Mr. Wishart: Upper Canada village?

Mr. Sopha: No, I mean as a political unit. As a political unit we have been Ontario since the Act of union. There are many things wrong with the governance of the profession; that would be a good starting place.

The Attorney General says that he has nothing to do with the running of the profession, but the legislation, the bill, the Act, the statute, comes under his department. I have complained, and as I say, they never thank me for it down there. But out of the desire to say what is right, in accord with reason, I have pointed out that with the doctors and dentists and the Minister of Health (Mr. Dymond), they stipulate in that legislation that there shall be geographic representation.

The medical profession has geographic representation. The dentistry profession has too, but it is all right for doctors and dentists but it is not all right for lawyers, and presently, the profession is governed overwhelmingly by the Toronto profession. True, most of the lawyers are in Toronto. The majority are in Toronto but I dare say if you totalled up the numbers you would find an imbalance, even with the percentage that practices in Toronto. Presently, as the Attorney General well knows, there is but one lawyer from north of the French River, just one—

Hon. A. Grossman (Minister of Reform Institutions): Is he from Sudbury?

Mr. Sopha: No he is not from Sudbury.

Hon. Mr. Grossman: Nobody from Sudbury?

Mr. Sopha: Nobody from Sudbury. Nobody. Just one on the governing body, and he is from Port Arthur. I am told—and this is hearsay only and subject to the vagaries of hearsay, because I was not at the meeting—that at the last regular meeting of my association a resolution was passed and sent to the head office of the bar down there at Osgoode hall, demanding geographic representation on the governing body. They may have been a bit indiscreet in going this far, but they told the head office that if they did not get some geographic representation north and west of the French, they would petition the Attorney General to set up a separate society for northern Ontario. The Attorney General nods, so I suspect he has received a letter.

Hon. Mr. Wishart: You were not at that meeting?

Mr Sopha: I was not at that meeting. I knew nothing about it. I did not a bit to assist or encourage. Are there any more synonyms that can divest me of my connection with it? I did not know anything about it until it was a *fait accompli* and was told that that had been discussed at that meeting.

If you want to get into the realm of law reform, the other thing I have drawn attention to is that it is very strange that that body corporate never holds a meeting of the shareholders. The first citizen is bringing in legislation here and has put on the order paper for study by the legal and business community, in which he is going to democratize the running of a corporation and make it more amenable to criticism and constructive suggestion. But the governing body of the law society never holds a meeting of the members in which to hear any useful comments about the running of the profession. That is a very strange anomaly, I must say.

The only contact we ever have with that body is when they tender a free lunch at the Ontario meeting of the Canadian bar association. You have got to have a sense of humour to really size that one up, because all they do in tendering the free lunch is give themselves the opportunity to make a speech. I suspect the man who gives me a free lunch for the purpose of making a speech to me, but that is about the extent of it. We hear from the treasurer and it is a very gloomy occasion, I must say, because all he talks about are the lawyers who have stolen money and the degrees of their nefariousness in—

An hon. member: Has it taken long?

Mr. Sopha: Well, it has in past years. They cite the statistics of who has taken off for Brazil recently with a wheelbarrowful or two of the loot and that is about it.

In recent years that very erudite group known as the benchers has started a publication which it calls the *Gazette* and I noticed that one arrived at my desk this morning. The public relations gambit. It was rather humorous to see that I got condemned in the first issue. It is a collector's item. They went out of their way to condemn me in the first issue.

An hon. member: What did they say?

Mr. Sopha: You want to know what they said? They said that my talents made me worthy of—what do you call the place they closed down across from the city hall; the Casino?—worthy of a Casino comic, and I put that away for my grandchildren to read.

Mr. Nixon: Could we reduce their vote or something?

Mr. Sopha: I took it as a compliment. And that was a fellow Liberal, too, who condemned me; that is what hurt. It is the blows you receive from your friends in politics, not your enemies.

Over the years I get very discouraged about this. As a democrat, I say in all seriousness, the initiative is never going to come from the profession, I fear; it will have to come from the government. It will have to come from the Attorney General.

An hon. member: They are too well fed!

Mr. Sopha: The Attorney General will have to say to them, "Look here, we will have to take the necessary steps to democratize this and make this governing body responsible to the opinions that views the criticisms of those that it governs."

I do not see, as a matter of principle, that that statement can be quarreled with. I do not see that it is open to be controverted. It is all very kind. For one thing, I think the five-year term is much too long, and this business of making lifetime members of people elected three times is just absolutely not in accord with any democratic notion at all. Who makes us lifetime members after being elected three times?

Hon. Mr. Robarts: No job security here.

Mr. Sopha: No, not at all and that is the way it should be. We all make one too many trips to the ballot box and let them run the same risks. Now, it was only a few years ago that we got a minor reform. They used to put past Attorney Generals on the governing body and I think that is gone. That is not gone? Well, it should be.

Mr. J. B. Trotter (Parkdale): No, that is not so.

Hon. Mr. Grossman: You did not figure that one would go, did you?

Mr. Sopha: It should.

Interjections by hon. members.

Mr. Sopha: Once you are an Attorney General, you are on the benches for life.

Hon. Mr. Grossman: That is the only percentage in being Attorney General.

Interjections by hon. members.

Mr. Sopha: But the one we did change, I have it to mind, applies to judges of the Supreme Court. When they left the bench, they became lifetime members, so the thing got cluttered up down there and the average age of the governing body was about 78. They tell me years ago—and this is the final anecdote—that the pillar of the profession—I will not name him—but he used to go to the meetings, he was about 85, and when the meeting convened he would walk over to a settee and lie down and have a sleep. And he would say before going into slumber, "If anything intelligent is said around here, which is unlikely, somebody wake me up." That is just about the size of it.

Well, what are we going to do? I guess we are going to do nothing until finally the profession itself will have to exercise some initiative.

Hon. Mr. Grossman: Put the insurance men in charge.

Mr. Sopha: But I am very discouraged that that is likely to happen.

Vote 204 agreed to.

On vote 205:

Mr. Shulman: On vote 205, there are two brief matters I would like to bring up, Mr. Chairman. First, I am wondering why the office of the senior Crown counsel's expenses have gone up some 50 per cent in two years? This surely should not be involved in the new services. Is that correct?

Hon. Mr. Wishart: I am sorry, I could not get the question.

Mr. Shulman: The expenses under vote 205 are up some 50 per cent since we had the last estimate. That is over a period of two years and I am asking what is the reason for that?

Hon. Mr. Wishart: Well, here are the figures I have before me, sir—senior Crown counsel, vote 205, salaries for the last fiscal year were $217,000. Our estimate for this year is $240,000, an increase of $23,000. I do not know whether I can get the details but perhaps I can find something. Yes, we have annual increments, salary revisions of that $23,000. The annual increments and salary revision is $15,800, that is sort of a built-in increase that comes along. Then, overtime and casual staff and so on is $3,200, an item we anticipate. Then, additional staff, that would probably be one person, I imagine perhaps two, at $4,000, so that your $15,800, $3,200, and $4,000, give you the total of $23,000 which is the total increase.

Mr. Shulman: Mr. Chairman, I have here the last public accounts we have, which show

a figure of $160,000 which is now up to $240,000, an increase—

Hon. Mr. Wishart: That is two years ago.

Mr. Shulman: Yes, I said over a period of two years; a 50 per cent increase over two years. I still do not understand it, even with increments. Surely the increments are not sufficiently great to bring your expenses up 50 per cent in two years.

Hon. Mr. Wishart: Well, I can just think offhand, very quickly, of a number of things. There has been an increase in staff, quite an increase in staff over a two year period. Salaries have increased very substantially, and with the assumption of the administration of justice costs up to this reform by the municipalities, our estimates are substantially increased on that account. Those things come immediately to mind.

Mr. Shulman: Mr. Chairman, to pursue this matter I would like to leave the crooked lawyers and go to the crooked contractors now. I would like to ask the Attorney General why the senior Crown counsel does not lay charges against the crooks and the thieves who travel about this province, promising to put additions on houses, accepting the money and then just departing.

I have a lengthy article here, which I will not read in detail. It is from the Toronto *Daily Star,* of Tuesday, November 21, 1967, and it relates how one gentleman, a certain Harvey Cassells—

Hon. Mr. Wishart: Mr. Chairman, I am quite prepared to discuss this but I think it should probably come under vote 206, the criminal law division, where it talks about the prosecution of persons committing criminal offences. I would be glad to discuss it there.

Mr. Shulman: Is it not the responsibility of the senior Crown counsel?

Hon. Mr. Wishart: No, it is not.

Mr. Chairman: Vote 205.

Mr. Sopha: I referred to it earlier though not in depth, but I want to express considerable reservation about Mr. Callaghan being the counsel to this Royal commission investigating the conduct of the two magistrates. The Attorney General is in no sense the prosecutor of these magistrates. It is not a prosecution, and if there is one case where in order to make the thing completely independent, outside counsel ought to have been employed, I would think it is this case.

Hon. Mr. Wishart: If I may say so, this is in no sense a prosecution, I agree. The senior Crown counsel is not a prosecutor. We have a director of public prosecutions. The senior Crown counsel is of the Attorney General's office and they are not to prosecute; they are to lend their talents, knowledge and ability to the administration of justice and he was selected for this case by the commissioner who said, "I should like to have your most senior counsel assist me in this case". He is not appointed by the Attorney General, or by the government.

Mr. Sopha: The point I would like to make—

Hon. Mr. Wishart: He is not there to prosecute and I think the Attorney General's office has a responsibility to see that the administration of justice is rightly carried out. To say that my advisers, my senior Crown counsel, cannot take part in carrying out that responsibility, is something I cannot agree with.

Mr. Sopha: Well, let us examine this under our system here. Here we have the excutive of which the Attorney General is a member. The executive and the administrator, let us lump them together, and over here we have the judiciary. Under our system they are rigidly separate. Now something went wrong over here, without going into the merits that caused the Attorney General and the government to act, and quite properly, the Ministry initiated a commission of enquiry.

But I would think that that commission of enquiry ought to perform its duties quite independent of the Minister and quite independent of the executive. Now, in order to achieve the total independence, I would think that it ought to be divorced from the assistance of one of the Attorney General's senior advisers. Under the vote with which we are now dealing, one of his advisers, Frank Callaghan, because there is no question of the impartiality of the enquiry under Mr. Justice Rand, a very reputable man with a very keen mind, but why should the executive and the administrative branch, when they are not concerned, why should they give or allow to be inferred a question of concern in what goes on in the enquiry, by having a senior man assisting the enquiry?

My point is that the Attorney General, who initiated this enquiry should have been completely divorced from this enquiry to give the total impression of fairness. This was one case where every one connected with that enquiry should be divorced from the government of the day. Now, what is wrong

with that proposition? I was quite astounded in picking up the paper, when the habit, and indeed the practice almost invariably followed that commission counsel were selected from lawyers outside the government—in every on—I want you to know, Mr. Chairman, how after all the protestations of the Attorney General that I read in the press over the weekend, that I was astonished to pick up the paper and see the senior Crown counsel was the commission counsel. I think that was a very unwise and indiscreet move. Mr. Justice Rand, if he made that request, should have met this repartee from the Attorney General, "No!"

In order to keep the executive totally divorced from this, we suggest that you look elsewhere to get counsel. Here is one inference that can be drawn. I shall just lay it on the table. The one inference that can be drawn, and I will not distort words, or torture language to make it, is that the Attorney General, having initiated this enquiry, has it in his interests to have someone there, one of his senior advisers there to keep his hand on the pulse and to see how the enquiry goes from day to day.

Now that conclusion is irrestible, that in other words, the Attorney General, having taken this very dramatic step, and I would be the first to say that the Attorney General acted with responsibility—knowing the danger that the Attorney General is in if he is wrong—that Mr. Callaghan go, to resort to the vernacular, to keep an eye on things for the Attorney General, so that he knows from day to day just what is going on, and whether it is justified. What we want to achieve here, is a precedent. This type of enquiry, which we have not encountered before, is a precedent.

We have been very fortunate in our judiciary. In order to achieve the maximum of fairness and to allow or allay the public fears and suspicions, it was incumbent upon the Attorney General here to say, "I want that enquiry, having initiated it." I am paraphrasing this, because he did initiate it, "Having done that, I want it to operate in a complete atmosphere of independence and impartiality."

I do not see how he could have done otherwise in the circumstances. And in the attitude that he took in this House, in response to enquiries directed to him, I would say that he is being very illogical about this—with all the other protestations and the actions of the government, allowing Mr. Callaghan to be the counsel for the enquiry strikes a discordant note.

Mr. E. A. Winkler (Grey South): Shame!

Mr. Sopha: Shame about what, what is the shame about?

Mr. Winkler: Because you are casting a reflection on the hearing.

Mr. Sopha: Is that your contribution to the public life of Ontario? Shame?

Mr. Winkler: It is as far as what you are saying is concerned.

Mr. Sopha: Yes, well I am putting up argument, and it can be met in the way that argument should be met, by argument to refute it. That is my argument. I am drawing attention to the inconsistency of this one Act, and I would like to hear from the Attorney General as to how he justifies Mr. Callaghan's particiption in that Royal commission.

Hon. Mr. Wishart: Mr. Chairman, the hon. member will certainly hear from me, because I found it very hard to sit still while he was impugning motives to me which do not even cross my mind—that I wanted somebody there to watch how this would go. I look upon the administration of justice so differently apparently than the hon. member that I cannot conceive of taking such an attitude and I found it very hard to not interrupt him.

I think and agree with the hon. member that there is the executive side of, he said, the judiciary. Clearly, yes I agree. But the Attorney General and the government—the executive—has a responsibility to provide the administration of justice, while it sets up facilities, and provides personnel, in certain of its courts and makes everything available, and makes certain rules so that justice may be administered.

It has a responsibility to see that justice is administered. In the office of the Attorney General, when he finds something making it doubtful whether justice is being administered, he has the responsibility to investigate it. If the Attorney General, in this case, had appointed the senior counsel, who is his senior man, I would think that he would have been justified if he had said, "I find something here which must be investigated. You are the senior counsel; investigate it. Get all the facts, and bring them out and let us know." I think that he had a responsibility, from which he should never shy, to do that.

It would have been simple, perhaps, to go downtown as the hon. member says, and get an eminent counsel, but I do not feel that this was called for. In any event, it was the commissioner who said, "I would like in order that all the information which has been laid before you may be brought out, that you allow me to have your senior counsel to assist me." And we agreed to that.

There is one other reason I should mention, which perhaps made it wise that Mr. Callaghan should serve, because as I have mentioned in the House, information came to our notice, some four weeks ago, and in the development of the investigation, and working with the police details, Mr. Callaghan assisted and had some knowledge.

Mr. Sopha: Oh, then he is going to be a witness?

Hon. Mr. Wishart: No, I think not. He had some knowledge, and there was also I think, surely apparent here, the advisability that the enquiry be not delayed, and that it be completed without delay. To have got someone completely new would have taken perhaps some weeks' time for preparation. But I cannot go along with the hon. member's thinking when he says that because the senior counsel in the office of the Attorney General —in which office rests the responsibility for the administration of justice—because his senior counsel goes to assist a commission that he has something personal or ulterior or a wrongful motive. This I cannot understand and I cannot accept it.

Mr. Chairman: Order, it being six of the clock, I do now leave the chair.

The House recessed at 6:00 o'clock, p.m.

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Tuesday, July 2, 1968

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JULY 2, 1968

The House resumed at 8:00 o'clock p.m.

ESTIMATES, DEPARTMENT OF THE ATTORNEY GENERAL
(Continued)

On vote 205:

Mr. Chairman: The member for Sarnia.

Mr. J. E. Bullbrook (Sarnia): Mr. Chairman, before we rose for the 6 o'clock hour I had come to my feet.

I was most interested in the reply of the Attorney General (Mr. Wishart) to my colleague from Sudbury (Mr. Sopha). First of all I would like to say, Mr. Chairman, that as I understood the reply of the hon. Attorney General, he was really in effect replying to what he called an inference or imputation of some sort of motivation on his part in connection with the appointment of Mr. Callaghan as the counsel to the Grant commission enquiry. I must say, sir, that I did not understand this at all from the remarks of my colleague from Sudbury; and I must say this, that any time that I have listened in this House to the hon. member for Sudbury he has been able, without ambiguity at all, or any equivocation, to put forward exactly what he had in mind.

Hon. J. R. Simonett (Minister of Energy and Resources Management): Always?

Mr. Bullbrook: Absolutely!

I will say this: There are sometimes members of this House who cannot understand him; but that is understandable on my part, really, because he does speak at a very high level, there is no doubt about that. But, sir, he made no imputation or inference of motivation on the part of the Attorney General.

He was, in effect, bringing to the attention of the Attorney General thoughts that the public might have—and one of the most obvious thoughts that the public might have in connection with this very appointment.

In the maiden speech that I made in this House I talked about prior Royal commissions and the delicate position of the government in connection with the appointment of both commissioners and counsel with respect to this. I spoke about Judge Waisberg; I spoke about Mr. Justice Parker, and meant no adverse reflection on their talents or objectivity at all and I am sure my colleague from Sudbury meant no such inference. But the thing that interested me, and why I came to my feet in connection with this discussion, were the comments by the hon. Attorney General that Mr. Callaghan had been involved for approximately four weeks in connection with the investigation into this matter.

This investigation has been going on for three months, according to the original statement made by the Attorney General to this House. I suggest this, and I request the response, Mr. Chairman, of the Attorney General to these comments.

As I understand the function or responsibility of counsel, it is:

1. To interrogate and bring to the attention of the tribunal all the evidence that is available and should be available to the tribunal to properly make a decision in connection with the matter before them, when the terms of reference are set down by the order in council.

2. To give counsel and advice to the commission.

Now it does cause me concern as a practising solicitor and as a member of this Legislature, that we have a man, in effect, who for four weeks, according to the admission of the Attorney General, has been invested with some responsibility in connection with the investigation into the subject matter that really is the foundation for this commission of enquiry.

I do not know Mr. Callaghan. Some day I hope to have the opportunity of meeting him. I understand he is a man of great talent and ability, and a credit to this department. But I have just never been able, in my short term of life, to accept the principle of entire objectivity. I suggest this to you. After a man has been vested with this

responsibility of, really, dealing with the entire background of this commission's responsibility, I just ask the Attorney General, is he really the person who can go before the public—and this is really what the member for Sudbury is saying—who can go before the public and show to them no prior posture—complete objectivity—in connection with this matter? It bothers me that perhaps he cannot. He might be able to, but the essential ingredient here is not whether he is able to or not, but really now that we have recorded in *Hansard* that he has been involved in in the investigation in this matter.

I have no doubt he has been dealing with the police in connection with this matter. He knows the very foundation of the insinuations that have been brought against these two magistrates.

Probably—really, at this stage, I should not make this comment but I will—probably, one would assume that there is some merit in the insinuations, since the hon. Attorney General has called them grave and very serious. I doubt very much if a man with his incisive talents would really call them "grave and serious" unless they were grave and serious.

My point basically is this: I would really like to hear the hon. Attorney General—unless other colleagues of mine or other members of this House want to comment—put forward the proposition of why this man should be counsel to the commission. I think the fact that Mr. Justice Grant has asked that he be counsel is neither here nor there. If the hon. Attorney General has really taken up with Mr. Justice Grant the fact that this man has been involved in the investigation, perhaps he will bring this to our attention. This might allay my fears somewhat because of the great respect we all have in this profession for that honourable gentleman.

Mr. J. Renwick (Riverdale): Mr. Chairman, I may just comment on what has been said by the member for Sudbury and the member for Sarnia, as I understand it.

They produced shortly before the dinner adjournment, and now again after dinner, a kind of a red herring. The quetsion that they should be asking is: who could be more objective as counsel to the commission? Assuming that we have any right to dictate the choice of the commissioner as to who the counsel should be, but the question has been raised that way.

I would think under any system of the administration of justice as we know it, then surely a person in the position of the senior Crown counsel of the province of Ontario is more able, given the lack of objectivity of all of us in the many circumstances, to exercise the kind of objectivity which is required in this particular enquiry. Indeed, when I heard of the appointment of Mr. Callaghan—apart altogether from his qualifications, but simply because he held the office which he did hold—I felt that it was not only an eminently proper appointment but I was delighted to see that the commissioner had selected him to fulfill this particular role.

It is not often that I am subjected to the plaudits of the government benches.

Mr. Bullbrook: Well, if the member keeps on in this way!

Mr. J. Renwick: But the point which the member for Sudbury and the member for Sarnia have obviously missed is that the mere selection of counsel from Toronto or elsewhere in the province practising at the bar means that you are going to have objectivity that has been disabused on so many occasions. I would not want to feel that in this particular grave and important enquiry that the counsel should have been selected from the bar in the province of Ontario.

I need only say that I had grave reservations about the degree of objectivity, for example, of the counsel for the commission in the matter relating to the chief coroner of Metropolitan Toronto. Now my colleague, the member for High Park (Mr. Shulman), had grave reservations about that objectivity.

I had certain reservations with the objectivity of the counsel for the commission related to the children's aid society. And I would suggest to the member for Sudbury and the member for Sarnia that before they pose this kind of odd question in this assembly, that they ask themselves what would be the assurance of objectivity that they could expect to achieve by the selection of counsel from outside The Department of the Attorney General?

Mr. Chairman: The member for Halton West.

Mr. Bullbrook: If I may just say, Mr. Chairman—

Mr. Chairman: The member for Halton West had been endeavouring to get the floor previously.

Mr. G. A. Kerr (Halton West): Mr. Chairman, I want to start off by saying that I disagree with the hon. member for Sarnia and

also the hon. member for Sudbury, and agree with the hon. member for Riverdale. I can recall in this House on many occasions where members opposite have asked why we do not use counsel in our own department in inquiries in Royal commissions.

I can recall particularly last year in our public accounts committee, of which the hon. member for Sudbury was a member, and the same this year of which the hon. member for Parkdale (Mr. Trotter) is the chairman, the final report of the committee recommending that wherever possible and in nearly every case we use counsel from within the department to act as commission counsel on enquiries.

I think the Atlantic Acceptance case was used as an example, but it was realized that because that hearing was so complex and would be so time-consuming that it was logical that we use outside counsel.

I think the hon. members opposite who are complaining about the appointment in this case are unduly suspicious.

Mr. E. W. Sopha (Sudbury): That was a friend of the Premier (Mr. Robarts).

Mr. Kerr: The Attorney General is quite logical that someone from this department, from The Department of Attorney General, should be appointed in this case.

Hon. J. P. Robarts (Prime Minister): And he was chosen by the commissioner.

Mr. Kerr: As the hon. member for Riverdale has said, in view of the position of senior Crown counsel, certainly it is a most logical person to be used, the appointment of commission counsel in this particular case.

Now, we have had a lot of discussion during the past several days about the situation involving the two magistrates, and the appointment of Mr. Justice Grant. Up until now, up until late this afternoon, there has been no question about the appointment of Mr. Callaghan. Why is this being raised now?

I heard the hon. member for Sudbury say this afternoon that he read something in the newspaper over the weekend that very well pleased him, and I assume from that he was referring to the appointment of Mr. Callaghan. Is that correct?

Mr. Sopha: In one aspect.

Mr. Kerr: I think that Mr. Callaghan, because of his position in the department, Mr. Chairman, is capable of complete objectivity. I think he will be in the same position that many local Crown attorneys are in the prosecution of many cases involving provincial statutes, and many other types where the position may be questionable. I do not think that there is any way we can impugn the integrity of this gentleman.

Mr. Sopha: Well, we are not doing that. Let us make that clear.

Mr. Kerr: Certainly, I think it is important that justice be served, and also that justice appear to have been done. I think with this appointment, we are sure of that.

Interjections by hon. members.

Mr. Bullbrook: My friend from Halton West just hit the nail on the head, really. And with the greatest respect to that admirable gentleman from Riverdale, whom I respect greatly, this is not a question of objectivity—but to hear someone on the floor of this House talk about complete objectivity, where does such an animal exist? There is no such a thing as complete objectivity. Nobody talked completely objectively here. What we are trying to convey, what we are trying to point out to you, in effect, Mr. Chairman, are the implications in connection with this.

Now, I would not have risen at my seat had not the hon. Attorney General said that Mr. Callaghan had been four weeks investigating this matter. I am most interested, really, in the reply of the hon. Attorney General. The hon. member for Riverdale and the hon. member for Halton West, both have talked about the question of objectivity. I, during my remarks opening this evening's session, have said that I am prepared to accept the integrity, objectivity, talents and ability of Mr. Callaghan. I do not know him personally, but he is well known to me by reputation.

That is not the point. The point exists, as it did in the Parker commission, as it did in the Waisberg commission, that this government and this Legislature cannot afford at all to, in any way, cast a shadow upon the objectivity of a commission of enquiry of this nature. You cannot permit to be said that which was said by the member for Sudbury, reflecting not his thoughts, not his imputation of the motivation of the Attorney General, but what might be said by the public. And this—

Mr. J. Renwick: What he might say, the public would say.

Mr. Bullbrook: What might be said by the public. Not what he might say. I say again, when he wants to say something, he can well say it. And the point I make here is this, that if this counsel, learned, objective, as full of integrity as he is, has been investigating this matter for four weeks, how does he advise the learned commission? How does he advise? This is not a court.

When you go into court, there is a defence counsel, and there is a Crown counsel, and the court sits above you. You are not individually invested with the responsibility of advising the court. You give them your opinion, and you put before them the evidence as best you can, but certainly this counsel has a responsibility to the commission. That is what he is called, the commission counsel.

Mr. Chairman: The member for Sudbury.

Mr. Sopha: Mr. Chairman, too long has the House been deprived of the intervention of the member for Riverdale. It is unfortunate that when he returns to the fray he so completely misses the point. What my friend from Sarnia and myself shall do is that we shall stand or fall by the logic of what we say in this regard and it is nothing other—

Mr. P. D. Lawlor (Lakeshore): Than a bizarre illogicality.

Mr. Sopha: We will stand or fall by the logic of what we say in the validity that our arguments may or may not have and we choose nothing else than that. Now it is too bad, it really is a pity that the member for Riverdale introduces the form of special pleading that he does, in respect of his references to what happened to his pal for High Park. That is precisely what he did.

He buttresses his argument, or attempts to buttress it by saying, let us not have counsel from downtown because look at the way that counsel treated my colleague from High Park and look at the way downtown counsel treated the principals in the Timbrell affair.

An hon. member: You were criticizing them earlier today.

Mr. Sopha: Oh no. Not at all. In no way. I do not know that the activity of John O'Driscoll was that much open to censure in respect of the sad affair of Mrs. Timbrell. This is the first I have heard of it but I strongly suspect that this special pleading from my friend from Riverdale will go to the extent that every time they are shot down in their accusations, the blame must be laid at the foot of commission counsel. That will be an argument that will not wash and does not merit the offer of my friend from Riverdale in saying that he will stand or fall by the logic of his own arguments.

Now I am much disturbed by hearing the Attorney General say that Mr. Callaghan was involved in the investigation for a period of four weeks. In his statement in the House, on June 22 he said:

> The information warranted further investigation, and this was subsequently carried out by a special detail of officers who were assigned to this task and who have been working in co-operation with the law officers of my department.

And I suppose, until I am corrected, that means Mr. Callaghan is one of the law officers.

Then I say to the Attorney General that that makes it even worse because then there is no distinction. I would be happy if somebody could point out the difference or distinction between Mr. Callaghan preparing his case to assist Mr. Justice Grant in the Royal commission, and the Crown attorney, in any part of the province, preparing a case for presentment in a court of criminal jurisdiction.

What is the difference between the two? Would it not be preferable, is it asking too much, is it a wild and irresponsible suggestion to make that every effort be made in these unusual circumstances? Now let us underline that word unusual. This is not the investigation of the chief coroner of Toronto, try as they might. There have been some who have not been swept away by the argument that a coroner is a judicial officer. This is not the investigation into the activities of the children's aid society. It is not the investigation into the debacle that accompanied or that occurred to a finance company. This is an investigation into a separate system of government in this province, that separate and independent system, the judiciary.

It is extraordinary and it is unusual. And accordingly, the principle upon which I put it has so far remained unchallenged by any of the rhetoric that we have heard, that every effort ought to be made to indicate to the public that the investigation launched by the Attorney General, acting as chief law officer of the Crown, initiated by him, is separate and independent from him. Now that is the principle upon which I put it and really, that is not asking too much.

That merely means that no one in his department who has been concerned in the investigation, that is to say who has a full

knowledge of it, is involved. Being human, Mr. Callaghan is like every other person on the planet; when he becomes aware of information, his mental processes begin to work and he forms preconceptions and predilections. That is human, that is the human intellectual process, prone to all the failures, and the dangers that it has.

Accordingly, it would seem good sense that when searching around for a counsel, the Attorney General and the commissioner have said, "Look here, we are going to create an atmosphere where this enquiry will go forward completely independent of the government." Now that is the way I read The Magistrates Act. Is that not strange that I should read, and I have always read, The Magistrates Act in precisely that way? Once the Attorney General becomes aware of improprieties, he looks to the independent arm of government, the judiciary, and he appoints a person who is a fact finder. I always drew the inference that the investigation into impropriety is a process that is, from that point on, completely independent of the executive arm.

It is to be noted we have not much experience in these investigations, though we have a good deal of experience in investigations generally. They are a national pastime. The Royal commission is a cultural folkway with us, brought to a high point in development by John Robarts and those who preceded him. But we only have one precedent of modern times in this country, and that is the investigation carried on by Ivan C. Rand.

Now it is to be noted that when that was put in motion by the government of Canada they had all the facts. But I do not recall that Mr. Pearson, or the then Minister of Justice, I do not recall that they insisted an Associate Deputy Minister of Justice should be counsel to the enquiry. On the contrary, Mr. Rand brought in an Edmonton lawyer, in private practice, to be his assistant.

Hon. A. A. Wishart (Minister of Justice and Attorney General): Well, he has not insisted on any such thing in this case either.

Mr. Sopha: Had Mr. Rand written to The Department of Justice or to The Attorney General Department of Ontario which was involved to a limited degree, then Mr. Landreville would have had the right to look askance at the whole proceeding. But there is no point if the Attorney General's and the Premier's minds are made up. We are only making the suggestion that this has got off on the wrong foot here; that we plead on behalf of these two men who stand accused, that the enquiry be completely independent.

I do not use that word "objective". I am focusing on its independent nature, independent of the executive of which the Attorney General is the leading member.

I do not think it is too much to ask from the point of view of the public concern and the public interest in this that the whole thing go forward in a quite detached way. But I have not imputed any motives. I sought to put into words what I feel the public would say about this—and *Hansard* will bear me out—and it would be a legitimate posture for a member of the public, being apprised that Mr. Callaghan had been involved in this for a period of four weeks, to say, "Well, this has the aspects of a prosecution on the part of the Attorney General. There is his agent."

I am unable to distinguish, perhaps the hon. members can, especially my friend from Halton West who is a very astute lawyer, but I am unable to distinguish between the two cases.

The Crown attorney preparing a case for the next assize, does not approach it with a personal interest, or I hope not. Some of them do not, most of them do not. He is not supposed to approach it from personal interest, he is acting on behalf of society to lay the facts before the jury and let the court determine.

Mr. Callaghan, whom I have known for many years, will not approach this with any personal motivation, I am certain. But in the same breath I say that Mr. Callaghan, whether he likes it or not, is inextricably part of the process. He is employed by the Attorney General. He has been involved in the investigation. His first master is the Attorney General to whom he must look for advancement and appreciation of the efforts that he displays in the performance of his task. And in the whole process of having been initiated by the Attorney General, the Attorney General is not disinterested. He is not a disinterested person. All you have to do is to look at the end of the process.

Look at the end of that process and reason backwards. If the magistrates are given a clean bill of health, the Attorney General is in a bad way.

An hon. member: Why?

Mr. Sopha: That is a fact of life. When one remembers what happened to the first Attorney General, he was shot to death in a duel for talking when he should have been

listening. You will appreciate what led to that when I tell you, Mr. Chairman, you will know when I tell you that his name was John White.

The Attorney General is exposed to this kind of thing because he is the man on the government benches who has to take risks. He should not, in these circumstances; in taking the daring course that he has done; in putting Mr. Callaghan in the position where there is uncertainty about the independence of that tribunal, and we would be remiss in our responsibility if we did not point that out. We can do so, and I will use that word "objectivity", do so with objectivity because we have not suffered the anguish that our friends on the left have suffered through Royal commissions.

They have lost them all, they have never won one.

Mr. M. Shulman (High Park): You never can with the Conservatives in power!

Mr. Sopha: So really, we do not weigh the comments. It would have been so simple to choose somebody from the profession outside and not to involve the government or the House in it. We, as members of the Legislature, would have been left, in these very unusual and extraordinary circumstances, we are all involved here, we would have been left completely detached. All we had to do was to wait until Mr. Justice Rand had heard all the evidence and made his report and we could know the rights and wrongs of the whole thing.

That is not the position we are in. All of us here now have a friend at court. We have an emissary, a servant. That is not a term of opprobrium, it is a term to describe his relationship. We have one of the province's servants right in the centre of the maelstrom which is about to occur from the middle of this month on, and that is a position that we ought not to be in, and the Attorney General should have saved us from being in it.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, surely all we are asking is for the Attorney General to attempt to insure that the independence which has faced the various supporters of any Royal commission in the past is continued in the present. It must almost appear to some of the backbenchers that the hon. Attorney General must arrive at this building and get out at the side door. If he got out at the front door of the building and if he came up the steps he would be greeted with the slogan of the province that possibly could be taken notice of by the government. Each of the rest of us pass here each day, and this slogan of course is "Watch Your Step." You see this sign which we are only trying to impress upon the Attorney General at this point. We are advising him that if he is to "watch his step," if he is to appoint to this commission someone who is without question independent, he will save himself a lot of public disfavour which might rebound not only to his harm, but also to the harm of the position of the senior civil servants who are placed in this position by his decision.

We think his decision is not the best one in this circumstance for this Royal commission at this time. We certainly encourage him to change this point of view for the better handling of this matter.

Mr. Kerr: Mr. Chairman, what this hon. member apparently is saying is that to have a certain amount of window dressing, in other words, to assure the independence of this commission, hire a downtown lawyer and have him use the facilities of the department, and all the investigation that has gone on in the last two or three weeks, and, I would assume, use the facility of the senior Crown counsel. In this way you will somehow or other assure more independence, or indicate that the commission counsel is more independent by the appointment of one such person. Is that what you are saying?

Mr. Bullbrook: What I am saying, Mr. Chairman, if I might, is this—that, most respectfully to the hon. member for Halton West, there is a distinction in sifting and going over evidence when you are senior Crown counsel to The Department of the Attorney General and when you are counsel to a Royal commission. This is the distinction. Once the orders-in-council were signed then whoever is counsel goes into the matter fully and deeply, but he acts in the capacity as counsel to the commission and he is able to advise and interrogate.

But here we have a man who has acted in a dual capacity. Before the orders-in-council were signed, Mr. Chairman, he investigated this evidence as Crown counsel to see, in effect, if any wrongdoing was done. This was his responsibility, and it is the responsibility of the Attorney General. We went over this Friday afternoon here in this House—his responsibility to prosecute and to investigate—but you cannot wear both hats.

You can wear both hats, but we suggest to you, in effect, from a public point of view it is much better that you do not wear both hats.

Mr. Chairman: The member for High Park was up just previously. The member for Lakeshore.

Mr. Lawlor: Mr. Chairman, the general principle, I would think, in matters of this kind—and it has been for many years sought to be brought to the attention of the House—is that the Attorney General from within his own department ought to conduct special proceedings of various kinds. I think that is a good decision on the whole. Why should special prosecutors be brought in from the outside?

However, in this particular situation, I think that the position of the senior Crown counsel goes beyond that of even the Crown attorney in the field. It seems to me that there is some division of chores between the Crown attorney in his investigatory capacity and the policing and prosecution of cases. In other words, he relies by and large upon the police authorities to bring evidence before him for people to lay charges and to set up indictments. He goes on from there in the prosecutor's role, relying upon some external power, some external procedures, in order to bring this forward.

In this case I suggest there is something rather unique. In this case the deep involvement from the very beginning—the initiation of the proceedings, the investigation right from the word go—the senior Crown counsel in this is deeply entwined in the meshes of several different capacities. His objectivity, or whatever you call it—independence—is not retained in this case.

If independent counsel were brought in from the outside, I suggest he would have a greater measure of objectivity than can presently be employed, humanly speaking, by any Crown counsel at this stage of the game. I feel, therefore, that perhaps, however difficult it may be, since you wish to get on with the matter, there is the imperative of proceeding immediately not to do injustice to these two men. There is the imperative of proceeding in a way that will not bring from the general public, from the newspapers, and from members of this House, any question of the independence and the non-ambiguous role that must be exercised by the men in the peculiar circumstances of this case.

Mr. Chairman: The member for High Park.

Mr. Shulman: Mr. Chairman, I would like to suggest, through you, to the Attorney General, that if it had not been for the mischievous speech of the member for Sudbury, no member of the public would have thought anything unusual had taken place with the appointment of Mr. Callaghan to this position.

However, now that the damage has been done, and it has been done, I think that the member for Sudbury has put you in the position, sir, where you must make a change and you must appoint another counsel.

Mr. E. A. Winkler (Grey South): Mr. Chairman, in listening to this debate which has involved almost totally the legal people of the House, I think, as a layman, I might have a word to say in regard to what the public thinks, exactly as the member for Sudbury has suggested earlier. He puts forth in his views what he thinks the public will think, and that, of course, is from a legal point of view.

This is not always the case, I would like to remind him this evening; not always the case at all. I thought, as he started out this afternoon, that he was beginning to follow a course such as the course as is normally followed by the member for Grey-Bruce (Mr. Sargent), to which I would take great objection.

I believe that the objectivity referred to by the member for Riverdale this evening was a real point and that is why I applauded him; I give him credit for taking that view. When the member for High Park says that the Attorney General is in a position now, because of the damage that has been done, I can say to him that he is totally wrong.

The people of Ontario, I believe, will congratulate the Attorney General, if in fact the appointment of the senior Crown counsel is such. This is what we must bear in mind. Surely this is a man of integrity? It has been said all over the House. Then why has the member for Riverdale said this evening, "Do some of the members endeavour to use it as a red herring in the case?"

I suggest to you, Mr. Chairman, and to all the members in the House this evening, that I have sufficient confidence in the appointment of Mr. Callaghan, and in the appointment of the chief justice, that not only justice will be served, but it will be served in such a way that it will be a credit to the Attorney General and also to the administration of justice for the province of Ontario.

Mr. Chairman: The member for Humber.

Mr. G. Ben (Humber): Mr. Chairman, I enjoy very much watching the members opposite me and to the left wearing two hats.

A lot has been said in this House deploring police acting as prosecutors in our magistrates' courts and the hon. member who just sat down talks about what the public thinks. I am glad that there is now a spokesman for all the people in the province of Ontario who knows what all the people think and that we are now redundant.

At any rate, from my point of view, the people of the province of Ontario think it repugnant that they have to be faced as a prosecutor, with the man who represents the people who are, in fact, laying the charge against them. In this particular instance, we have a situation, inadvertent, but factual, where the chief adviser to a Royal commissioner—because he is not somebody appointed by the Attorney General, but by the Lieutenant-Governor in council. This is a Royal commission where we have as chief adviser the one who is actually the accuser—the one who blew the whistle. Oh yes, Mr. Chairman, the Attorney General may shake his head, "no," but, in essence, I suggest to you that it was the senior Crown counsel who had to advise the hon. Attorney General whether or not there was sufficent evidence to justify him asking the Lieutenant-Governor in council to appoint a Royal commission to look into this matter.

Somebody had to put the facts before the Attorney General in the first place, and I suggest it was the senior Crown counsel. It had to be—it had to be the senior Crown counsel that advised the Attorney General.

You may shake your head until the marbles roll, the fact is that this is what happened.

We have a situation where the evidence that was accumulated by the senior Crown counsel and the staff of the Attorney General and which is supposed to justify the expenditures of public funds for this Royal commission, is going to be put before the commissioner, and who is he going to ask to pass on a validity of this evidence, but the man who accumulated it and passed it on to the Attorney General.

This is the thing—oh, yes—that some of the members here say is quite proper—that there is nothing improper about it, in actuality or in theory. I suggest that they are wrong. I pardon the hon. member for Lakeshore, because at least he saw that is inconsistent with the theory that justice was to appear to have been done.

Mr. Lawlor: Whenever I appear to be on the same side as you there must be something wrong with me.

Mr. Ben: That just confirms what I have thought for a long time.

At any rate, you must give the appearance that justice is being done. And just as we deplore the fact that the police officers are in fact Crown prosecutors in police courts, I know, passing judgment on evidence—passing judgment on the evidence that is being adduced by the officers—so I think we should deplore the senior Crown counsel passing judgment on the evidence which he gathered together and is producing for the Royal commission.

Mr. Chairman: Vote 205. The Attorney General.

Hon. Mr. Wishart: I wonder if perhaps the hon. members understand, first of all, that the senior Crown counsel in the office of the Attorney General, The Department of the Attorney General, is the head of the civil division of law, not the director of public prosecutions. He is an advisor, a lawyer, head of the advising staff of senior Crown counsel.

Now I must start right with the hon. member who just sat down. He speaks of him passing judgment on the evidence. He does not pass judgment at all. Nor was he part of the investigating team which accumulated the evidence, and, to use the expression he accumulated the evidence he passed on, he had no part in that.

In my statement to the House, I said that he was associated with the investigation, and surely the members understand that he would review the evidence which was brought in. I explained it was a detail of police; the intelligence branch, and he reviewed that evidence to advise what course of action the Attorney General should take.

Mr. Ben: That is exactly what we said.

Hon. Mr. Wishart: Surely he had the right and the duty to do that.

The Attorney General, I think I may say again, and I do not want to have to say too often, has a duty and a responsibility of seeing to the administration of justice. To assist him in carrying out those duties, one of his staff is senior Crown counsel, a lawyer from the civil side. It will be his duty to review that evidence before the commission. It will be his duty as the hon. member for Sarnia said, to bring out the facts and to make a presentation of those facts, and he will not be

prosecuting. This is not a prosecution, this is an enquiry.

Mr. Bullbrook: Is it his duty to advise the commission?

Hon. Mr. Wishart: It will be his duty to present the facts, as disclosed by the investigation, to the commission. I suggest that if the Attorney General has the responsibility to see that justice is properly administered, he has a right, if he wished, which he did not exercise here, to use his staff to assist them. But I say again, the unbroken rule which we have followed in this province, with Royal commissions, is that the commissioner selects his counsel, and this was no exception.

Mr. Justice Grant asked for the assistance of my senior Crown counsellor who had, as I say, reviewed the evidence.

Now, along the same line, the hon. member for Sudbury said it is a risky thing the Attorney General has done, and it will be a sad day for him if he does not prove what he has asserted.

The attitude of the Attorney General will be that of a senior Crown counsel—to find the truth of the matter.

Mr. Sopha: You cannot create a world of your own, you have to live in this one.

Hon. Mr. Wishart: I have to live in this one, and I will take the risk as the hon. member said. But let me ask him. Supposing the Attorney General had the right to select counsel, suppose he had selected the most eminent counsel from outside, from some outside law office, would he have stood any less risk? Would there have been any less objective? Would it have been any more independent?

Mr. Sopha: You just tell Mr. Justice Grant—

Hon. Mr. Wishart: I think the hon. member for Riverdale made my point. That is an argument which has no force. To select an outside counsel, even if I had the right to do it, would have made whatever risk I may take no less. I am sure, as was said here by some members, perhaps it is difficult for anyone to be entirely independent or objective. But certainly the senior Crown counsel, I feel, as a part of the office which is charged with the administration of justice, was the proper person to present objectively and independently the facts which will be shown before the commission that has been appointed.

And what I would say is this. Observe the conduct of this enquiry, observe the action of senior Crown counsel. See how it presents the facts, and then if after that has been done, if then it is proper to say that there has not been objectivity shown, if there has not been simply a search for the truth, then I will accept any criticism that may be offered for my choice, or my consent to the choice of counsel as requested by the commission.

But I think that to presume at this stage that because the senior Crown counsel of The Department of the Attorney General is going to assist the commissioner to get at the facts of this matter, to presume that this is not going to be an independent and objective enquiry, is a waste. It is wrongful I think. It is a waste of words.

Let us see how it is conducted. I think I can stand here with confidence and assure this House that it will be a fair, impartial, independent, objective enquiry, and I applaud the choice of the commissioner. I think he made a wise choice in selecting the senior counsel in The Department of the Attorney General.

Someone compared, or tried to compare, or suggested that this was the same sort of thing as a Crown attorney prosecuting.

Mr. Sopha: That is me.

Hon. Mr. Wishart: Yes. Well, perhaps one could draw some measure of comparison. But even in the office of the Crown attorney, which the hon. member for Lakeshore pointed out, he has a different role to play. He has to prepare an indictment and proceed on. Even there—and I have acted as a Crown attorney—we were always, I think, instructed that we try to bring out the facts, to present the Crown's case, and let the court make the judgment.

I am sure that the hon. member for Sudbury is familiar with the saying, "the Crown never wins, the Crown never loses." That, I think, is particularly true here, that there is no attempt to do other than to bring out the facts which were brought to our attention, reviewed by Crown counsel, who decided we should present them to an enquiry, and this we do.

I cannot believe that we should have acted otherwise. The hon. member for High Park said that the hon. member for Sudbury has made this mischievous speech, now—

Mr. Sopha: Oh, he uses words loosely.

Hon. Mr. Wishart: That is what he said. He said this has so affected public opinion that now we should be constrained to appoint

another counsel. Well, I must say, I do not really give the speeches of the hon. member for Sudbury such credit for changing public opinion.

Mr. D. C. MacDonald (York South): That is the most damning cut of all.

Hon. Mr. Wishart: I think I cannot say more. We discussed this before the adjournment, and my point was that the commissioner selected his counsel and counsel is a part of the Attorney General. I trust the hon. members will give the Attorney General credit for seeking in the administration of justice the right to deal impartially, fairly, honestly, in seeing the duty of the administration of justice is without reproach; and that anything which impugns it shall be investigated before an impartial tribunal and the judge here. We are not to judge the evidence, but to place it before the judge who is the commissioner.

Mr. Sopha: Mr. Chairman, I want to add a postscript without repeating anything I said previously.

We have our responsibilities here to make our observations and draw attention to matters of public concern that we feel are important, and we will stand or fall in the public favour depending upon the validity of what we say.

I want to remind the Attorney General that in two Royal commissions that come to mind, people affected by them—one in the Roach commission—resorted to the court of appeal and the court of appeal overruled the commission. In the Parker Royal commission, the chief coroner through counsel resorted to the court of appeal and got relief there against the ruling of the commissioner. Now supposing that Magistrates Gardhouse and Bannon at some point in the enquiry—which is not unlikely, having cited precedents—feel that the enquiry is not being conducted in accordance with precepts of natural justice; then what position does that put Mr. Callaghan in? Mr. Callaghan is then over in the court of appeal, upon the return of the stated case—I speak with no authority about The Magistrates Act, section three, but under The Public Inquiries Act Magistrate Bannon may, upon proper grounds, require the commissioner to state a case for the court of appeal; then Mr. Callaghan is over in the court of appeal in a position of opposition to them.

Hon. Mr. Wishart: Mr. Chairman, that is wrong. He is wrong in his premise; he is wrong in his statement. The commission counsel is never represented in a court of appeal, always by other counsel.

Mr. Sopha: Well, what was Mr. Dubin doing there? My friend from High Park, when his lawyers—what was Mr. Dubin doing?

Hon. Mr. Wishart: Mr. Dubin did not present the case in the court of appeal. It was Mr. Frank Callaghan, senior counsel who presented the case. Counsel for the commission was not represented in the court of appeal.

Mr. Sopha: Oh yes—oh yes, let me correct that because it was the conduct of Mr. Dubin which was under review.

Hon. Mr. Wishart: No, no.

Mr. Sopha: Oh, yes. Oh, yes.

Hon. Mr. Wishart: Mr. Chairman—

Mr. Sopha: Mr. Dubin could not be there; he was under review.

Hon. Mr. Wishart: Mr. Chairman, let us be factual, let us be truthful in the facts. In the Windfall hearing the commission counsel did not take the case to the court of appeal. It was the senior counsel again, Mr. Frank Callaghan. So the point the hon. member is raising—there will be no difficulty there.

Mr. Sopha: Who was the counsel in the Roach commission?

Hon. Mr. Wishart: Roland Wilson.

Mr. Sopha: Roland Wilson. Was he in the court of appeal on the return of that one—about the right to cross-examine witness?

Hon. Mr. Wishart: I do not know, I was not—

Mr. Sopha: Well, it would bear looking into.

Mr. MacDonald: That was before the explosion of Bill 99.

Mr. Sopha: It would bear looking into, but presumably—all right, no matter who is in the court of appeal, Mr. Callaghan has something to do with the presentation of the enquiry, of the presentation of the evidence. It is conceivable a situation could arise whereby Magistrates Gardhouse and Bannon —this is my point—could complain about the way in which Mr. Callaghan, however well

intentioned, is presenting the evidence to the commission.

Hon. Mr. Wishart: Some other counsel would appear.

Mr. Sopha: You see—I borrow my friend from Lakeshore's phrase—having cited that possibility which is not unrealistic or far-fetched, I borrow my friend's phrase to show the ambiguous position that The Department of the Attorney General has allowed itself to be put in. I leave on the record, by way of postscript, these words of the Attorney General. These words will be the assessment of whether the appointment of Mr. Callaghan was right or wrong according to the dictates of common sense and of the conveying of a sense of justice. Here is what the Attorney General said:

> I am certain that the procedure we have adopted will maintain the integrity in our system which we are all entitled to expect, and at the same time, provide complete fairness and equity to the magistrates concerned.

In view of this mistake in allowing Mr. Callaghan to be put in this position, I must sit down, expressing considerable dismay and wonder about it.

Mr. J. Renwick: Mr. Chairman, if I could move to another aspect of the office of the senior Crown counsel. I would appreciate it if the Attorney General would comment to the House about the position of the province with respect to offshore rights. The senior Crown counsel appeared for the province, as I understand it, on the reference to the Supreme Court of Canada. The decision of the supreme court was made on the reference and I would think it would be appropriate if, at this point, the Attorney General gave to the House a statement of the province's position with respect to any offshore rights that the province may have in the waters which form the boundary of the province of Ontario.

Mr. Sopha: Have you read the article in the 1968 *University of Toronto Law Journal*?

Mr. J. Renwick: No.

Mr. Sopha: The Attorney General got shot down in that case, notice.

Mr. J. Renwick: Where was that?

Mr. Sopha: The offshore case.

Hon. Mr. Wishart: That was British Columbia. The decision in the offshore case which involved the ocean shores was not a case which particularly affected the position of Ontario, which is inland waters and inland seas. Our position is still open. At the conference when the question was discussed, as I recall, Mr. Pearson, Prime Minister as he then was, suggested that the question should be taken to the Supreme Court of Canada. There was still left open the possibility of some discussion on this question, but we were not involved. But to watch and observe the case which was presented, particularly by British Columbia—the mover in that case was supported by the provinces who had offshore interests in the oceans.

Mr. Sopha: Including you?

Hon. Mr. Wishart: We filed a *factum* and placed our position there, but it has not been dealt with yet, it has not been heard and we have a position where we can have our case heard which turns upon some different considerations than the offshore rights as they affect the Atlantic and west coast provinces.

Mr. J. Renwick: Mr. Chairman, what are the waters that are involved in the province's offshore rights? Are there any of the great lakes or is it entirely restricted to Hudson Bay and James Bay?

Hon. Mr. Wishart: Hudson Bay, James Bay and the Straits of Hudson Bay.

Mr. J. Renwick: The Hudson Straits?

Hon. Mr. Wishart: Yes.

Mr. Sopha: It is wise to remember, of course, that the reference in regard to B.C. which is very thoroughly reviewed in an article in the *University of Toronto Law Journal* of this year, issue No. 1, I believe, is an opinion only. It is not the law of Canada. Under The Constitutional Questions Act or whatever it is called up in Ottawa, the government by order-in-council asked for an opinion of the court, and the court has rendered its opinion in respect of British Columbia.

It ought to be remembered in all fairness to the Canadian government, that when discussions were proceeding—and as usual, the greatest trouble was encountered with Quebec—the government said, "Before we continue with these negotiations we would like to have the opinion of the court, to clear the air". And the government exercised the initiative to choose British Columbia and the continental shelf, the Pacific Ocean as the locus of the case, and Ontario. I think there were five provinces that joined in. I am not certain of that. Quebec certainly did not. Quebec did not file the brief. But I think five provinces joined in in filing a brief. So the matter, in all

fairness, is left this way, and the Premier knows more about this than any of us who are doing the talking, that the federal government has offered to negotiate this with—

Hon. Mr. Robarts: I think Mr. Pearson's point, Mr. Chairman, was simply that he wanted the opinion, but he did say that the solution would in all probability be political rather than legal.

Mr. Sopha: That is exactly why I wanted to provoke you into the debate. For you to say that—because that was my understanding, the way it was left; and unfortunately the attitude they took in our sister province, Quebec, was: "We do not care what the supreme court says". They do not recognize it as a federal court, and Mr. Johnson has indicated that he will not be bound by the decisions.

An hon. member: We have the opinion, let us get to the politics. It was Mr. Lesage.

Mr. Sopha: Pardon me, yes. You are right. It was. But Mr. Johnson, of course, is a natural blood brother in those things.

However, I want to make this point, that I will suffer all the censure that befalls my due in saying that one of the great mistakes of Confederation that was made of the four provinces was the leaving of the natural resources in the hands of the provinces.

A thesis could be written to show the injury that has been done to our Confederation and to the development of our country, the fact that the provinces have had complete control over the natural resources.

We have at least the flexibility of redressing that mistake in respect to the offshore minerals. I would be perfectly content—I am not that much of a narrow provincialist—to see jurisdiction over the offshore wealth, if it exists, to be vested in the Parliament of Canada.

That is one of the ways that we can redress the balance in this Confederation, and we can give some flexibility to the Parliament of Canada, to affect the economic life of this country. I suppose because some of us over here are such strong centralists in 1968, that is reflected to a large extent in the national policy of our party, and it must to a larger degree account for the results on Tuesday last.

Mr. Chairman: Vote 205!

Mr. J. Renwick: Mr. Chairman, what is the present state of the position of the government with respect to the offshore rights? Is there any particular initiative that the Attorney General should be taking in this area, or is it now, so far as Ontario is concerned, totally transferred to the political realm, in which case my question is not appropriate?

Hon. Mr. Wishart: I think I can only say that we filed a very extensive and complete full brief, well documented, well annotated, well supported with authorities on our particular position. I believe the court took note of that, but I do not think it really had too much bearing in the decision or the opinion which was handed down.

I think I would have to leave it to the Prime Minister to say whether we are now in the stage where we approach the political discussion, which was indicated by the Prime Minister of Canada, which we would be open to pursue. He wished to get first an opinion of the Supreme Court of Canada.

So I would take it, if I read it right, his meaning, and I was present at that conference, I would take it that he meant when we get the court's opinion and see what the court may be able to say on this matter. We are still ready to negotiate.

Since then, we are all aware, the office of Prime Minister at Ottawa has changed. I would think—my opinion is perhaps no better than anyone else's here—but we are now in the position where we might take some initiative and seek to negotiate that, along with perhaps some of the other problems, but I would have to leave the Prime Minister with that.

Hon. Mr. Robarts: Perhaps I can help to some extent, Mr. Chairman. The position really is that we do not, in the advice that we have had, have any offshore rights in the sense of that term as it was placed before the Supreme Court of Canada, for this reason.

James Bay and Hudson Bay are considered in international law, by the authorities that we have consulted, to be inland waters in the sense that they are pretty well completely surrounded by part of the country of Canada. Therefore, if we look at the mineral rights underneath Hudson Bay, we are really dealing with an agreement that should be made between the various jurisdictions within Canada.

The northern boundary of the province of Ontario is neither the high-water nor the low-water mark of Hudson Bay and James Bay, and the jurisdiction at the present over Hudson Bay really belongs to the Northwest Territories which, in fact, are controlled by the federal government.

At one time there was a move made, and I the government of Canada the provinces can cannot quote the Acts, but by application to ask for changes in their own boundaries. It was suggested at one time we extend the boundary between Ontario and Manitoba on the west side, out into Hudson Bay, and extend the boundary between Ontario and Quebec on the east side, north. Various lines were drawn with a view to a common agreement between the three provinces, and thus we would settle the question of the jurisdiction over whatever minerals or oil or gas may exist under the surface of Hudson Bay.

This agreement never came to the point where the provinces together made an application for a change to their boundaries through the government of Canada, mainly because of some inability among ourselves to agree as to where these lines should be. Some of the reasons were technical from the point of view it is simple to draw a line on the map, but a little more difficult to find the line on the ground.

In the meantime, there are certain exploratory activities going on in Hudson Bay, and I would say at the present time that the province of Ontario has no jurisdiction over what may lie under the waters of Hudson Bay.

Now, if you come south to our other water boundary, which is the Great Lakes, you run into another entirely different situation. Here we, as a province, control the bottom of the Great Lakes out to the international boundary, but the federal government controls navigation in the waters above the bottom. Therefore, we do control drilling, for instance, in the Great Lakes, our provincial jurisdiction over the bottom of the Great Lakes extends out to the international boundary.

Well now, when you have said that you have covered all the water boundaries that Ontario has, and we really have not been drawn into an international water any place.

Presuming the opinion that we get concerning Hudson Bay is legally accurate, and that, of course, is a presumption that might have to be settled sometime in an international court because it could be that United States or any country in the world could say that they have international rights in Hudson Bay. The opinion we get is that because of the physical setup, it would be classed in international law as an enclosed water.

We have, therefore, not an international waterway in the sense, for instance, that the Gulf of St. Lawrence is international. We do not control the Gulf of St. Lawrence, it is an international waterway and all countries in the world have rights to use it. This is the situation as it exists today.

At one time it looked as if we might reach some agreement in the Hudson Bay situation. Changes of government, political considerations, and some very practical considerations brought us to the situation where we failed to get agreement.

We extend, for instance, the eastern boundary of Ontario and the western boundary of Quebec. If we just extend that line north you will go through James Bay, you will also go through the Belcher Islands. The Belcher Islands contain a great deal of very low grade iron ore. It may not be of value in our lifetime, but it may be of value some time in the future.

These are some of the considerations that one has to look at.

Then when you get into Hudson Bay you will find that what forecasts we can get from geologists and so on would show that perhaps the greatest possibility of discovery of oil and gas would be more towards Manitoba than Quebec.

I am just speaking from memory of some of the things that were considered, but from a practical point of view, as I say, by changes in government and one thing and another, these discussions came to a halt and have not been resumed. We are ready to resume them at any time.

Mr. Sopha: I am correct, am I not, there is offshore drilling taking place in Hudson Bay, for example, and as I understand it, the drillers have to get two permits. They get one from the province and they get one from the federal government pending the settlement of this. Am I also correct in saying that total jurisdiction over all islands in Hudson and James bays is in the hands of the federal government?

Hon. Mr. Robarts: Because of the provincial boundary, I forget whether it is the low-water mark or the high-water mark, but it is where the water is in Hudson Bay and James Bay. As a matter of fact, this was one of the disputes with Quebec some time ago, when Mr. Levesque was Minister of Northern Affairs or something, dealing with the Eskimos and Indians who live on those islands.

Mr. Sopha: Right. Well now, I just want to make one additional observation. Ontario,

realizing that title to the lands probably is in the federal government by reason of the instance that the islands belong to the federal government, adopted quite an ingenious argument, as I understand it, that we were prepared to say to the court, "We do not care who owns the land. We want you to find that we have jurisdiction under The BNA Act and that we have jurisdiction over the minerals to be found in it."

That is all very well but that does not do much for the provinces in two circumstances. That does not do very much for the "have nots" of the country. Two provinces have no sea coasts at all, minerals might be found offshore of one or two of the rest of the eight provinces, but we have no assurance that all the provinces have offshore minerals. British Columbia might have some and, on the other hand, Newfoundland may have none. The fairest and just way, I would say, so that the wealth that may be encountered will be shared equally by Canadians, is to leave the jurisdiction over the offshore wealth in the government of Canada.

Mr. Chairman: Vote 205 carried?

Interjection by an hon. member.

Mr. Sopha: What did the Attorney General say?

Mr. Chairman: I did not hear.

Hon. Mr. Wishart: It was, perhaps, not too serious a question but I thought if you are going to let the Dominion government have any offshore minerals, why not say it would be fair and just to share Alberta's oil with the whole of Canada, and potash in the other province and so on. I do not think the argument really—

Mr. Sopha: Goodness, I made my position clear. In the deep, dark days of the 1930's, when the federal government was powerless to influence the economy, J. S. Woodsworth stood in the House of Commons and he moved a resolution which was unanimously assented to without debate by the House. It recognized the castration of the federal government to do anything to alleviate the ills of this country and that resolution led to the Rowe-Sirois commission.

Now, that is the story of our life, that the federal government, except in monetary matters—banking, and that type of thing—is powerless to intervene to affect the economy directly with interest rates, money supply and that type of tangential interference. One of the reasons that R. B. Bennett suffered so badly was that the federal government did not have control of the resources of this country in order to do something on a national scale to alleviate the distressing circumstances.

So that is why, looking back in history, I take the position that I do, and I am not so much of a provincialist, and I never have been, that I want to narrowly protect the interests of Ontario at the expense of any one or all of the other provinces.

Vote 205 agreed to.

On vote 206:

Mr. Shulman: Mr. Chairman, I would like to question the Attorney General on vote 206 in the matter of Crown attorneys' instructions. If two individuals are charged with the same crime, they are both of the same background, circumstances are exactly the same, but one man pleads guilty and the other pleads innocent and is found guilty, is it the policy of the Crown attorneys' branch of the department to recommend a longer sentence for the man who pleaded not guilty?

Hon. Mr. Wishart: This is an entirely suppositional case, I think, Mr. Chairman. I would certainly say immediately, no, it is not the policy of the Crown attorney to recommend a longer sentence for the one who had to fight his case in court—who pleaded not guilty—than the one who pleaded guilty to the charge.

But let me say, in answering that, that I think it would be not only rare but almost unheard of that you would ever find two cases, two individuals with the same background, the same approach, the same circumstances surrounding whatever crime, and to take a suppositional case like this and say, would this happen, and would that happen, is pretty hard. But I do know that the Crown attorneys have no instructions that would suggest anything like what the hon. member has asked—a request for a longer sentence for the one who pleaded not guilty than the one who pleaded guilty.

Mr. Shulman: Well, let me pursue it a little further. Would the Crown attorney receive the approval of the Attorney General if he were to say to an accused person, "If you plead guilty I will settle for a three months sentence. I will agree to ask the judge for a three months sentence. But if you plead not guilty and we find you guilty, I am then going to ask for a longer sentence"?

Hon. Mr. Wishart: No, I do not believe the department would approve of that policy and I do not believe that policy is pursued actually. I think, quite often, Crown attorneys may discuss with an accused, with his counsel, the nature of his offence, the limits of sentence within which his case may fall and in doing so seek out from him the circumstances in which the crime was committed and perhaps be able to say to him, "I am prepared to ask the presiding magistrate or judge to give you a sentence for such-and-such a term, and if you care to plead guilty you may have some assurance of what I am prepared to ask of the magistrate".

I think this is done quite frequently and I see nothing out of the way with that because it is a matter of information to the accused of what his sentence may be and what the Crown is going to ask for. Of course, now that every accused is entitled to legal counsel under our legal aid plan, I think it is very seldom that a Crown attorney approaches an accused individual. Certainly if he does, the individual knows, I believe, that he has a right to counsel and that counsel may speak for him and may discuss his case with the Crown attorney or the prosecuting attorney.

Mr. Shulman: Just before I go into specifics then, to complete the suppositions, I gather the Attorney General would also not approve of a Crown attorney saying to a lawyer, "If you will persuade your client to plead guilty, we will settle for a short sentence, but if you insist on fighting his case I am going to ask for a longer sentence".

The Attorney General, I gather, would not approve of that.

Hon. Mr. Wishart: No, Mr. Chairman, not in that light.

An hon. member: Does that deserve an answer?

Hon. Mr. Wishart: Well, hardly, but I understand the hon. member is speaking of specifics, he is going to comment on some case where he says this happened, I anticipate. I do not think that such language is used. I think counsel do discuss cases and say, "Here is a case which can be from six months minimum to two years."

Now circumstances of this man's age, his family, his need, whether this was done on impulse, or was deliberate, whether this was done with companions, whether he was led into it, and so on, whether there was violence —all these things are discussed. I think, possibly, it is true that if all this matter has to be brought forth in the court, there is, I think, an attitude of feeling, rightfully perhaps, that the court will be influenced more in making its decision than if a simple plea of guilty is accepted.

Mr. Shulman: Well, Mr. Chairman, to come down to specifics. I am sure that all of us, and particularly the lawyers, have heard for years rumours that deals could be made, and that if someone was willing to plead guilty he could get a much lower sentence. I have never yet had the opportunity to have this in writing until this time. I will tell you of a specific case to illustrate this to show just how wrong this is.

Let me say that I think that the fact that someone insists on his innocence should not be reason for an added penalty and I am sure the Attorney General will agree with me on that because sometimes these people are innocent; it can happen.

The man I am referring to, the specific case, is a John Ferguson, who visited a town called Belleville some months ago. He drove his car down there and while in Belleville he met an old acquaintance to whom he loaned the car. This gentleman proceeded to break into an establishment, steal a safe, and get caught in the process—

Hon. Mr. Wishart: Mr. Chairman, the hon. member is reciting facts. I do not have any doubt that he sincerely thinks these are so, but I wonder if these are the facts that were presented to the court? Could I ask if he is reading from a document? Is this a letter from the man's lawyer and signed by his counsel and this is a lawyer's complaint that he got one kind of treatment, or was offered some sort of a deal?

Mr. Shulman: If the Attorney General will let me finish I am sure it will become very clear.

Mr. G. Demers (Nickel Belt): It will take a whole hour.

Mr. Shulman: It will take ten minutes, and we spent several hours listening to matters which were not quite as important. I think that justice to individuals is more important than the offshore rights, or the Crown counsel, or the chief counsellor, or who is going to look into that particular matter.

Interjections by hon. members.

Mr. Shulman: Relax, gentlemen, it will take a lot longer if you do not.

In any case, the man who did the breaking in, a certain Ibbetson, was arrested, charged and received three months in jail, which he has served.

Mr. Kerr: Have you got the transcript?

Mr. Shulman: That is not the point. Just be patient. The point in this matter is the attitude of the Crown attorney.

Now the guilt or innocence of Ferguson is irrelevant to the story at the moment, although let me say that I am personally convinced that he is innocent. He knew nothing of this. The police interviewed him, let him go, and he returned to Toronto. Some weeks later they came down and laid a charge against him.

He was defended by a local lawyer through the legal aid and a rather upsetting letter was received by him from his lawyer, which I have here and which I wish to read into the record. This is on the stationery of Barrett and Lally, barristers, solicitors, notary publics, 27 Campbell street, Belleville, Ontario, and is dated March 28, 1968:

Dear Mr. Ferguson:

You will recall that on March 26 the charges against you were adjourned by Magistrate R. C. Jackson in Trenton until Tuesday, May 21, at 10 o'clock in Trenton.

You will recall that on both charges—the break and enter and the possession charge—you elected trial by judge alone—

May I interrupt to say this was on the advice of counsel.

—and therefore on May 21 the only matter that will be before the court will be a preliminary hearing. You will recall that we put to you the suggestion that was made to us by Crown counsel that, if you pleaded guilty to the possession charge, they would withdraw the charge of break and enter and would raise no objection to our submission that you should not receive more than three months, as Mr. Ibbetson only received three months.

Pursuant to your instructions we told the Crown attorney that we were not going to plead guilty to any of the charges and he informed us that he would be asking for a longer term of imprisonment than three months if you were convicted.

He goes on, but this is the point. Now surely, Mr. Chairman, if a man insists on his innocence he should not be threatened and this is a threat. "If you insist on pleading innocence and we manage to convict you, you are going to go to jail for a lot longer."

What, in effect, this will result in—it must ultimately result in cases where a man is innocent, but is unable to establish his innocence and who will accept a guilty plea in order to get off with a shorter term in jail. Surely this is the wrong attitude of the Crown attorney?

The Crown attorney should not be interested in whether that man is pleading guilty or innocent. The Crown attorney's job, as we have discussed in this House before, is to present the facts and to assist the judge. For him to make a threat like this I suggest to you is improper.

Hon. Mr. Wishart: Well, Mr. Chairman, before we accept the fact that this threat was made, again I point out you see that here we have the hon. member presenting what he says is the true, full story.

I do not know what the Crown attorney may have to say to this or whether he admits that any such discussion took place with this defence counsel. I should think we ought to look into that and I would be glad to do so, but I am not going to accept—and I make this very plain—I do not accept that as condemning the Crown attorney.

I do not approve of that way of dealing, but I do not accept it, at the same time, as condemning the Crown attorney involved, whoever he may be. I would like to have the details and have it investigated.

Mr. Shulman: I am happy to accept the Attorney General's word in this matter.

Hon. Mr. Wishart: May I have a copy of the letter?

Mr. Shulman: Yes, and I would be delighted to have it investigated, but I think it is very important in the general matters, away from this specific case, that Crown attorneys should be instructed that this is not proper behaviour for Crown attorneys.

Hon. Mr. Wishart: They do not have to be instructed, they know this. Let me say this. In highway traffic cases, I am aware, and I think all hon. members are aware, that quite often a number of charges will be laid—maybe two or three, or perhaps four. They involve dangerous driving, or careless driving, or leaving the scene, or something of that sort. Generally, or quite often, if there is a conviction on one of the more serious

charges it is seen fit not to pursue the others. I think this is—

Mr. Shulman: There was no conviction.

Hon. Mr. Wishart: Well, no. I say if there is a conviction on one of the offences, it is quite often that the others are withdrawn. This is not an uncommon practice in various types of criminal matters, where you could lay two or three variable charges.

Mr. J. Renwick: Mr. Chairman, on this very same point I think we are indebted to the member for High Park for having actually produced a letter which says, in fact, what goes on in the courts constantly. I think the Attorney General should seriously investigate the proposition that throughout the province of Ontario double-barrelled charges are being laid as a matter of course by the police against people.

I think it is true that every lawyer in this assembly is well aware of the fact that there is a certain amount of log-rolling which then takes place on the basis that if you plead guilty to the lesser offence, there will be some kind of a non-objection by the Crown as to what the sentence will be in the case—or a non-intervention by the Crown—and that the more serious charge will be withdrawn. It is usually a reflection of very poor police work. The police do not know on which of the two charges they can get a conviction on the evidence, and they put the accused person, and his counsel, in a most invidious position. Both because of the cost to the accused person, if the case is proceeded to trial, and from the point of view of just what the evidence will bear in terms of proving a particular offence.

I understand very clearly that if a single charge is laid against the person, and that charge results in an acquittal, there is then nothing to prevent the police, at a later date, laying for the first time the lesser offence, if they then think they can prove it. But at least if that procedure were followed we would avoid the log-rolling which takes place when charges are double-barrelled against a person. They are, as the Attorney General said, part and parcel or part of our system of justice.

I think it is very poor police work in the first place. I think it is an invidious position that the Crown allows itself, in many cases, to get into. And I think it is an invidious position which defence attorneys allow themselves to get into. Somebody waits in the courtroom until there is some slight opening by which this arrangement is consummated. Whether the more serious charge be withdrawn, or the lesser one, and a conviction registered on the lesser one or as to what is likely to transpire when the appeal is made as to the sentence. I would think that the Attorney General would be well advised not to treat the incident that my colleague—

Hon. Mr. Wishart: Mr. Chairman, I feel it perhaps better to interrupt the hon. member than to wait until he is finished. If he will allow me.

It is necessary and I know this of my own experience in practice as a Crown attorney; I know it in my own experience as defence counsel; it is necessary. There is nothing wrong—and I want to make this very clear—it is necessary quite often to lay two or three, certainly more than one charge. Perhaps if the police were perfect, perhaps if they were able to judge what offence you can prove; but it is necessary to lay, quite often, quite frequently, two or three charges, because you do not know which one you may succeed upon. If you lay the more serious one and the court finds that not proven, then that is the end of the case. You have got to start afresh in another one .

So it is quite frequent in many of these offences that a more serious offence, a less serious offence or a different offence at least, may have been committed, and the police are not in a position to judge which one they will be successful in establishing and proving to the satisfaction of the court. It is necessary, quite frequently, to lay two or three offences. As I say, I think there is nothing wrong with this.

Having established, having proven to the satisfaction of the court that one of the offences was committed, the prosecution then withdraws any others. But to put all your eggs, as it were, into one basket—to use that old expression—and say we will select this charge and prove it and having failed on it we will either have to forget about the matter or start afresh next week or some future date, is not good practice.

This is not a very good way to conduct the criminal side of the administration of justice. There will be delay, there will be expense, there will be the calling back of witnesses. You can understand all the objections that could be raised of that type of thing. You would be bringing the accused person back and he would, I am sure, complain. He would say, "Well, you had me in court last week on a case which has been pending for three weeks, then it was tried and you lost it. Now,

just because you are deliberately determined to convict me, you lay another one."

You could see what would happen. I am sure we would be open to a great deal of criticism. He is charged with two or three offences arising out of the same set of circumstances and the police attempt, the enforcement assigned attempts to prove what the offence was and the court is satisfied on one of those and the others are withdrawn.

I think that is a reasonable approach, rather than doing them one at a time, down through a period of two, three or four months.

Mr. J. Renwick: The Attorney General obviously knows the point and he has a different point of view than I have on it. The fact of the matter is that if the police lay a charge and it is a single charge, or it is a double-barrel charge, and they are required to proceed with the more serious one because they have laid it, then the police have two alternatives. One, if the single charge is laid they abide the event in that particular charge. If they want to bring a further charge that then becomes their problem at a later date and they are subject to whatever criticism may be that would engendered in the public about a person being brought up on a lesser offence at a later date instead of being charged at the same time.

If, however, they double-barrel the offence and they proceed with the more serious offence immediately in the court because they have chosen to lay that, then they can always proceed immediately afterwards with the lesser offence.

The criticism is that the double-barrel charge is laid and the more serious offence is withdrawn as part of bargaining procedure, and that bargaining procedure, in my view, is inimical to the interest of the administration of justice in the province.

Mr. Ben: Mr. Chairman, the Attorney General of this province is going to go down in history, he has attained immortality tonight by admitting that his concept of justice in this province is determination to convict. Now he justifies that procedure. Those are your words, "determination to convict". But with the Attorney General it is a game that you must convict if you lay half a dozen charges—

Hon. Mr. Wishart: Mr. Chairman, on a point of order. I have never said those words that my attitude is a "determination to convict". I do not know what the hon. member is talking about. I certainly did not use that expression, or express any attitude of that kind.

Interjections by hon. members.

Mr. Chairman: Order please!

Hon. Mr. Wishart: Point of order, Mr. Chairman. I have not used the expression as expressing any attitude. I cannot even recall using that expression for anyone's attitude.

Mr. J. H. White (London South): He said exactly the opposite.

Hon. Mr. Wishart: If the hon. member is speaking of something I said here this evening, is it something recently that I said? I cannot recall.

Mr. Ben: You said it in reply to the hon. member for Riverdale.

Hon. Mr. Wishart: Well, I did not use that expression.

Mr. Ben: You have got to know which charge you are going to succeed on and are determined to convict on one.

Hon. Mr. Wishart: Oh no; I did not say they were determined to convict.

Mr. Ben: Oh, well that is—

Hon. Mr. Wishart: I did not say it. I must say, Mr. Chairman, I did not express that—

Mr. Ben: Read *Hansard* tomorrow. I will apologize to him, but the concept is clear. He justifies this playing games with the citizens of this province and laying half a dozen charges in a determination to convict on at least one. Now, what kind of a justice is that? If you go to court you are supposed to be charged with a specific crime. You are supposed to know exactly what offence you are charged with, and what offence the Crown intends to prove against you.

Well, the Attorney General thinks that it is justified to lay half a dozen charges in the hope that you can convict on one. That to me is deplorable, it is shameful, it is intolerable. For this man to get up here, Mr. Chairman, and justify—

Mr. Chairman: I must point out to the member that the Attorney General—

Mr. Ben: I beg your pardon?

Mr. Chairman: The Attorney General has denied that he used those words.

Mr. Ben: And I say if I see in *Hansard* tomorrow that he has not used those words, then I will apologize.

Mr. Chairman: I think the member should refrain from accusing the Attorney General of using those words until he knows. I think we should take the—

Interjections by hon. members.

Mr. Chairman: Order, please!

I think we should take the Attorney General's word that he did not say what the member is accusing him of saying.

Mr. Ben: Fine. Then on the other hand, Mr. Chairman, you want to take the word of the member for Humber that he did?

Mr. Chairman: No, the Chairman is not going to take the words of the member—

Mr. Ben: Oh, it just works one way I see. That again is the form of justice.

Hon. Mr. Wishart: Mr. Chairman, I am sure the hon. member for Humber will be fair about this matter when we have an opportunity to examine *Hansard*. Certainly, I do not know how I could have said that I was expressing an attitude of determination to convict. I do not feel that way. I think I did point out that the police and those assisting in the enforcement of law sometimes found it necessary to lay more than one charge.

Mr. Ben: That they were determined to convict, that was the word you—

Hon. Mr. Wishart: In order, I think, that is to obtain a conviction, yes.

Mr. Ben: That they were determined to convict were the words you used.

Hon. Mr. Wishart: Yes, well let me ask the hon. member. Let us say that a policeman observes someone handling a motor vehicle in what he thinks, in his opinion, would be clearly dangerous driving. He knows the attitude of the court and he knows what evidence he is able to pick up from his brief opportunity to observe the circumstances. He knows that he will have to go to court and prove. Would the hon. member say that he would not be justified in laying a charge, perhaps, of dangerous driving and then perhaps of careless driving, because he knows an offence has been committed, at least he feels that sincerely. Would the hon. member say he should charge this man just with the dangerous driving, or just with careless driving, or with one, perhaps the most serious one, and then it being dismissed, perhaps for lack of ability to prove it, to proceed on the other later on or at the same court, or how?

Mr. Ben: Mr. Chairman, nine times out of ten you would not do either. You would charge him neither with careless driving nor with dangerous driving, but either going through a red light, or going at a speed in excess of 30 mph.

I have spoken to police, because as the Attorney General well knows, I am in some way connected with the police department and have been for some time. I say to you, Mr. Chairman, that they will invariably lay a charge of careless driving when the proper charge is going through a red light. This is the system that they have been taught to follow, to lay the most severe charge that they can under the circumstances, regardless of what their own personal opinion is.

A man can go through a red light, and this is what is causing disrespect for law and order in our province today, especially in a municipality of Metropolitan Toronto, that a citizen simply breaking a law by going through a red light will be charged with careless driving or dangerous driving. Or he may be driving at an excessive rate of speed, simply an excessive rate of speed, and find himself charged with careless or reckless driving, and not with simply speeding.

This is what is causing a great disrespect for law and order. It is causing people to shun the police, and it is causing the people to act like this Legislature did the other day when there was more support for the criminal than the victims of crime, because people now just resent the police.

Hon. Mr. Wishart: Mr. Chairman, I do not want to worry this matter, or prolong it, but it seems to me that the very example the hon. member used, he says simply going through a red light. Now, there are very few occasions, perhaps in the dead of night, or in the wee sma' hours when there is no traffic, when it might be a simple matter of going through a red light. But even then, it seems to me, it is at least careless, and I should think on most occasions going through a red light would be not only careless, but might be very well dangerous.

Now, is the policeman to be the judge, that is all I ask of the hon. member? Should he say in all circumstances we just charge him, as he says, simply with going through a red light.

Mr. Ben: Should the policeman know what charge is—

Hon. Mr. Wishart: Well, is it dangerous to go through a red light? Is it not dangerous at certain times in certain circumstances?

Mr. Ben: Well, who is there to see except the policeman?

Hon. Mr. Wishart: Surely the hon. member will admit that if he went through a red light in downtown Toronto at noon, it would be pretty dangerous.

Mr. Ben: It may, nor may not, depending on what the policeman thought.

Hon. Mr. Wishart: And the policeman has to make up his mind.

Mr. Ben: Well, the judge is not there to see it.

Hon. Mr. Wishart: No. The policeman has to prove the facts.

Mr. Ben: The policeman has to get up there and support his charge, and this is the deplorable part of it, if the policeman says in my opinion he was guilty of dangerous driving when in fact he was not. He charges him with that. In other words, if he went to court and took any other attitude he would be making a fool of himself.

Mr. Shulman: Just before we leave this matter of making deals, I would like to point out to the Attorney General the abuses that can occur as a result of that in a somewhat different field.

I related some weeks ago the case of the mental defective Mario A. whom Magistrate Bigelow sent off to Guelph. There was another aspect of that case that did not come up at that time and that was how Mario A. first appeared in court. And this lad, 16 I believe he was at the time, had been given a glass of alcohol by an older man and had been then persuaded to break a window—

Mr. Bullbrook: Oh boy; another story!

Mr. Shulman: Yes, it is a true story. In a liquor store. He climbed in, took out a case of liquor, he got away with it. He walked away with it and gave it to the older man who then sent him home. The boy went home to bed and the older man was then caught by the police later that night and a deal was made whereby no charges were laid against this man if he would give the name of the person who broke into the liquor store and he gave the name of Mario A.

Mario A. was picked up by the police and he was subsequently charged and convicted as circumstances have been brought out here before, and went to jail. The instigator of the crime, in my view I think, is the real criminal since the boy was mentally defective.

Yet he had no charge laid against him at all, even though the police actually found him in possession.

Now, I think another matter which the Attorney General should look into in addition to this matter of extra terms for pleading innocent, is this matter of deals. Does the Attorney General agree that the police, presumably with the knowledge of the Crown attorney, should be allowed to make a deal with an obvious criminal in order to bring in some other person?

Hon. Mr. Wishart: Mr. Chairman, I appreciate the sincerity of the hon. member, but if he were a member of the legal profession I think he would realize how difficult it would be. Let me put it as simply as I may.

Assume that the police picked up the man with the beer in his possession which apparently they did. Let us say they charge him with having stolen property, with possession of stolen property. I wonder if the hon. member has any idea how difficult it is to prove that he knew it was stolen? All sorts of defences could be put forward, and I could think of many if I were defending him. The only evidence I take it that would convict him would be the evidence of one mental defective person who would say, "I got money and I was asked to break in" and the man who I would be defending or some counsel would be defending would deny that. A person of sane and sound mentality—

Mr. Shulman: May I interrupt just for a moment?

Hon. Mr. Wishart: Let me finish. I just want to make a simple—

Interjections by hon. members.

Hon. Mr. Wishart: It has to be with knowledge that it was stolen. You see, to recite these cases with all sincerity, as I know the hon. member has, is simply not enough. We could spend hours discussing this sort of thing.

Perhaps there was an injustice here, I do not doubt perhaps there was, but I do point out that the police are fixed with the situation where they could take that man to

court and spend their time, and the prosecuting attorney's or the Crown attorney's time and come out with nothing. This is the type of thing that one must appreciate as a lawyer, I think.

If you watch court proceedings and see the cases that are brought, you would see how difficult it is to prove knowledge, particularly of stolen property and that sort of thing.

All I can see in that type of case would be the details in evidence of the man who had it in his possession. He would say, "I got it from this boy, I never gave him any money. I never told him to do anything about it."

The boy would say, "I have got the money, and I went and got it". He would be admitting he went in the store and got the goods and gave them to this man, and I am sure that gentleman at that point would deny the story completely.

Now what are the police to do? I do not approve of some of the things that happen, but I cannot take each individual case here with the facts if they are available to justify or not justify, one or the other.

Mr. Shulman: Thank you, Mr. Chairman. I understand this now which I did not before and I thank you for that.

I would like to go on to another matter here and this is to do with money again. Under this particular vote, once again we see some rather large increases, but there is one startling increase. Salaries are up 50 per cent, travelling expenses are up 200 per cent, Crown counsel prosecutions are up 60 per cent, but maintenance, over a period of two years, is up 1,000 per cent. I would like to ask the Attorney General what is the reason for that?

Hon. Mr. Wishart: Well, Mr. Chairman, again largely the takeover of the administration of justice. I will take the items, if I can, one by one.

Salaries, the appropriation for 1967-68 was $1,591,000. That has increased by $606,000; and $129,000 of that is the annual increment and reclassification of staff. That is something that just follows on, the annual increment and increase in experience and time of service—there is a reclassification.

Then there are approved salary revisions. This was done, I think the hon. member may be aware, by a team of persons expert in the reclassification and revision of salaries. That is $173,000.

Then we have in an item of overtime help, casual help and gratuities. Those are things that arise from time to time to assist in carrying on the work. That is a matter of $35,000.

Those three items together make $337,000 of the $606,000.

The remainder is particularly related to the takeover of the administration of justice. We have additional staff due to the absorption of municipal costs.

These things were paid for by the municipalities. There are 10 Crown attorneys who were previously paid out of fees of office. Now they are paid as a part of the salary of the administration of justice.

In other words, we get in the revenues which they were keeping through an arrangement with municipalities to pay their salaries, and we now pay them out of administration of justice. As I pointed out before, we now have control of knowledge. We have audit procedures, and I think this is a great improvement over what existed when the municipalities were carrying it on.

There are 10 Crown attorneys who were previously on fees. That is an item of $138,000; it is an average of $13,800 each. There are clerical staff for those 10 Crown attorneys which we now have to assume and pay. For those 10 members of clerical staff the figure is $43,000, and you can average that at $4,300. There is clerical staff of eight previously paid out of office revenue, that is when the administration was being carried on in the municipalities. That item is $35,000. That gives us $216,000. There is $45,000 for a purpose I did not give. There were six assistant Crown attorneys due to our increased workload with the administration of justice. They come out at $45,000 in total. There are five clerical staff to assist them.

We have three items of $337,000 of which I gave you the detail. Those last two amount to $73,000, and the Crown attorneys previously paid on fees $138,000 and their clerical staff, $43,000; and eight clerical staff previously paid out of office revenue, $35,000; a total of $216,000. That makes up the figure of $626,000 which is in our estimates this year.

Largely, as I say, apart from increments which are annual and the revision of salaries, almost entirely accounted for by the increased responsibility. With that increased responsibility the change is that instead of allowing the Crown attorneys to be paid at the local municipality level out of their fees of office, they are now paid out of The Department of

the Attorney General; and that adds to our costs.

But I should perhaps mention here, I think members are aware that in the arrangements we made with municipalities we have taken on the revenue side—which does not appear at least up to this point in my estimates—we have taken on the revenue side all fines except municipal bylaws; so that a great deal of this is offset on the credit side.

Mr. Shulman: Mr. Chairman, there is one other matter I wish to pursue under this vote. I started to bring this up before. Referring to itinerate non-contractors, and the problem was well spelled out in the Toronto *Daily Star* of November 21 of last year. It is a long article. I just want to read one paragraph of it, because it sums the problem up very well.

This is a letter from Mrs. Elizabeth Davies.

Hon. Mr. Wishart: Mr. Chairman, I do not want to curtail this, but I did wonder if the hon. member was going to bring it up before. If it is a matter of prosecution it probably should be discussed.

Mr. Shulman: Mr. Chairman, when we were under vote 205 the Attorney General asked me to discuss this in vote 206.

Hon. Mr. Wishart: Well, if that is what it is, it is properly under this vote, Mr. Chairman, but if it is a matter of investigating and pursuing this; I am wondering if it is under—

Mr. Shulman: It is a matter of lack of prosecutions. The letter is from Miss Elizabeth Davies:

> A year and a half ago I signed a contract with Mr. Harvey Cassels, of Cassels Construction Company for an addition to my house. I gave him $2,000 and he said work would start in about three weeks. After about a month I began phoning Mr. Cassels, but I could never find him in so I went to a lawyer, and so on and so on.

I will not read the whole letter. She finally ends up: "What can be done about people like this?"

Mr. Kerr: Check on them before you hire them.

Mr. Shulman: Easier said than done, to the lawyer from the Conservatives.

The answer is not very much. The Attorney General knows of many cases like this. For years his office has been inundated with complaints about companies who vanish or go out of business. Despite the evident need for action the yawning loopholes in our laws have not yet been plugged and only the government can plug them.

When they looked into this particular individual they found that civil proceedings had begun against him some 18 times. Judgment was given against him in 16 of the cases, but of course nothing could be collected, because he would just move on from place to place. There is no problem locating the man, the reporter located him the same day.

I would like to ask the Attorney General why is it that in this province, this type of abuse can occur? You may recall, sir, that I wrote you a few weeks ago about a similar case, where a similar type of fraud had occurred, and it was the opinion of the staff that once again no criminal charge should be laid.

Now, it appears to me that this is a criminal act. I am not a lawyer and perhaps I look at things a little more simply than the lawyers do, because when someone comes up and takes money with the promise of doing something, and does not do it, and repeats this activity time and time again with victim after victim, why does not the government do something? Why are not charges laid?

Hon. Mr. Wishart: Well, Mr. Chairman, first of all we do prosecute a good number of these. We prosecute quite a number of the fraudulent home builders and repair people. We prosecuted the aluminum siding people in Kitchener. These cases are all investigated.

The hon. member presumably got an answer from me, and I think we told him we would investigate it, but—

Mr. Shulman: You did investigate it?

Hon. Mr. Wishart: Yes, we did investigate it. We investigate them all. For many of these cases there is not the element there which makes a criminal prosecution possible, a successful prosecution. Many of them are simply contracts where the service is not given as undertaken. It is a question of civil regress. We prosecute them and investigate them all, and we have an anti-racket squad for that purpose. They are busy all the time, and we refer many cases to them. They investigate them, and if we can find that there is a possibility of prosecution and that is likely to be at all successful we prosecute and have got a great many prosecutions. We have taken on additional staff for that purpose.

Mr. Shulman: Well, may I suggest to the Attorney General, if the cases that have been brought to his attention such as this one cannot be prosecuted, there is something wrong with the law. May I suggest to him, that perhaps this law should be tightened up.

Hon. Mr. Wishart: Well, again let us have the facts of that case.

Mr. Shulman: The facts were published. There has never been any question of the facts.

Hon. Mr. Wishart: I do not know that those are the facts. I am not sure that they were ever brought to our attention. I am not sure the party ever went to the Crown attorney. Did she say she had gone to the Attorney General or the Crown attorney?

Mr. Shulman: She says: "Three times we have asked the justice of the peace to lay a charge against this man, but each time we have been told that it is a civil action and they cannot do anything."

Hon. Mr. Wishart: If I can have the facts of that matter, we will investigate it, and it may very well be that the justice of the peace was right, that there is no possibility of a successful prosecution.

Mr. Shulman: Well again, the law should be changed.

Hon. Mr. Wishart: Many of us have signed contracts and did not get satisfaction. That did not mean that the parties were criminals, who offered the goods or the services.

Mr. Shulman: Well, Mr. Chairman, let me come back to the other similar case which I wrote to you about, where a man went into a store, went into a series of stores, bought goods which he was to return to pay for and did not return and did not pay for. The response again was that this should be a civil action, but of course your civil action is useless. These people cannot collect with a civil action.

This man should be put in jail, he should be charged. A man who is going about the country—and apparently there are some of these people who go from small town to small town—fooling the people in the towns into giving him goods which he is supposed to return the next day to pay for, surely this is fraudulent and if it is not, it should be.

Hon. Mr. Wishart: No, Mr. Chairman, surely to goodness we must not get to that point. If I did that the hon. member for Sudbury would be calling me the Attorney General who would be prosecuting with Draconian severity. That is his expression. The hon. member for High Park is suggesting that when a man goes into a store and buys goods, and gets possession, and goes away and says he will be back tomorrow to pay for them, that I should prosecute him for fraud.

Mr. Shulman: I did not say that Mr. Chairman. I said that when a man was making a pattern of this, going from town to town as in the case which I drew to your attention, then he should be prosecuted.

Hon. Mr. Wishart: This is not under our law, a crime, to go into a merchant and talk him into giving you goods, unless you give him a bad cheque. To give the impression that you will come back to pay and he trusts you, and you do not come, then that is his affair. If he wants to do business that way, he must be more careful.

Mr. Chairman: The member for Sarnia.

Mr. Bullbrook: Mr. Chairman, just a few remarks in connection with this vote if I might? First of all, with respect to the discussion by the hon. member for High Park, and the hon. member for Riverdale, in connection with the laying of multiplicity charges, this is by and large a reprehensible course of conduct by the police. But I must say in deference to the remarks made by the hon. Attorney General, there are many times, especially in connection with contained offences.

By way of example, attempted robbery, contained in robbery, or attempted rape, contained in rape, where there are certain essential ingredients of the larger offence that in the opinion of Crown counsel it might be difficult to prove. The interest of justice and the interest of the pocketbook of the taxpayers of the province, and in the interest of the accused, which really is the incumbency more than anything else of the defence counsel, is best served by some discussion between the two counsel involved.

In making that comment, and agreeing with the Attorney General in that respect, I do not in any way compromise my association with the remarks of the hon. member for Riverdale.

In this vote there are two things that I would like the Attorney General to cast

his mind to. One is the question of confidential instructions to the Crown attorney by the police. I frankly have been blessed in my short association in the city of Sarnia with a Crown attorney who takes the position that his responsibility is not just to secure a conviction. It is to convey to the court as best as he can, the evidence that supports the Crown's position in connection with the prosecution. He has from time to time shown part of or all the confidential instructions.

My first question is this. I do feel that sometimes, and I have run across this with several Crown attorneys, that they feel that they have some sort of propriety interest in the matter before the court. The confidential instructions to the Crown attorney should not be discussed with counsel for the defence at all.

It goes without saying and we all know that in indictable matters, you know the witnesses you are faced with. But in matters where you are proceding summarily, sometimes defence counsel go in there somewhat *tabla rasa*. He does not know what he is coming up with. I suggest that the interest of justice might well be served if there was some liaison in connection with the confidential instructions to the Crown attorney. I recognize that at a certain point in the investigation it is not in the best interest that all the information should be given to defence counsel. But perhaps the Attorney General might wish to comment on this?

Now, the thing that I wish to be vigorous about is the course of conduct on the part of the police. Is the course of conduct on matters that I consider insignificant really, where they feel that it is incumbent to incarcerate these so-called wrong-doers forthwith.

By way of example. A young couple breaking the law, sitting in their car with a bottle of liquor, perhaps a few weeks before they are married. Discussing something and having a drink really, and nothing further than that. But they are breaking the law.

There is no necessity that they should be thrown in jail, absolutely none. But this has happened throughout the province of Ontario many times. Over-zealous police officers.

I think that there has been considerable upgrading, as the hon. member for Humber conveys, I have had some association with the police. Before I went into politics, I was the solicitor for the police association in our city, but by and large I found them to be reasonable, and I found that they performed their function admirably.

But there are some of them who have not got the message, and the message that I wish to convey, and might receive some reciprocation from the Attorney General, is that there are times when people are incarcerated in connection with offences in certain circumstances when they should not be put in jail at all.

They could easily be summoned to court. I will not go further, but there are matters which I have dealt with over the years that almost brought my blood to boil. I have seen people put in jail on some of the flimsiest charges. Some of the charges were withdrawn, but, of course, one does not expect a police officer to be vested with the knowledge of the law that the Crown attorney is. I accept that.

But I used that example, which is not exaggerated, of having liquor in a place and finding yourself in jail at midnight, and sometimes also not having a JP able to get out of bed. This has happened to many defence counsels, and these JPs have this responsibility, I look upon it as such, to get out of bed. I do not care what hour of the night it is, and I have said this to them. I do not care if it is four o'clock in the morning, your job is to get out of bed. These people should not have to languish in jail, but I must say, they do not get out of bed for me.

Mr. Lawlor: Mr. Chairman, I have a couple of technical points to start off with—

Mr. Chairman: Order please! Does the Attorney General wish to reply to this before the member speaks?

Hon. Mr. Wishart: Yes, if I might be permitted, Mr. Chairman. First of all on the question of the confidential Crown information being handed to defence counsel. I think that I have to say that I know that many Crown attorneys go a long way to assist defence counsel, and we encourage that insofar as this can be done.

But I think that there is a point where the instruction of the police to the Crown attorney is like instruction from a client to his attorney. Whether the Crown attorney should reveal his whole hand without the consent of the police is a matter for his own discretion. I cannot say that as a general rule he must reveal every detail of the information given to him by the police. I

think that there is some reasonable comparison there, with the information given by a client to his solicitor.

Mr. Bullbrook: Well, it should be somewhat elastic.

Hon. Mr. Wishart: Yes, there has to be some elasticity, but I think that Crown attorneys are usually pretty reasonable in this respect, and it is encouraged.

In the example that the hon. member gave about the couple drinking in the car. There are some very difficult cases sometimes if a policeman comes across them drinking. Let us say that he left them there to drink. Are they going to drive the car after they have finished the bottle?

Mr. Bullbrook: If you would permit me. I accept the fact—

Hon. Mr. Wishart: Just let me draw the picture a little further. They drink the bottle and drive the car and get into a serious accident and someone is injured or killed. What is the policeman to say to himself?

Mr. Bullbrook: Mr. Chairman, I know that I should not interrupt, but let me say that it goes without saying that he takes the bottle away from them and, in effect, if he is at all worried about their driving, he says, "Out of the car and home," if that is necessary. It is the question of taking them right to jail that bothers me.

Hon. Mr. Wishart: Well, I was going to come to that. Let us say they may have nearly finished the bottle then I think he has got the business of seeing they do not drive that car which becomes a dangerous weapon in their hands. He either has the business of getting them home or taking them to some place of custody for a time at least until they are perhaps in better shape, or until they have made some arrangements to get home themselves. The policeman has some problems too. We do encourage, through our Crown attorneys, the use of summons wherever possible rather than arrest and this is our attitude.

Mr. Lawlor: As I say, I had two technical points. One has to do with the estimates again of last year where there was another section here called criminal appeals and special prosecutions branch, for which $279,000 was asked. That has disappeared and been assimilated into, I would take it, the balance of the subheadings under this vote. I would like the Attorney General to indicate as to how this has been done and why it has been done.

The second technical point arises out of item 8, grants, which are $76,000 for the first time in these estimates. There was a grant of $5,000 to the Crown attorneys association, so the boys could all meet and decide what they were going to do, "a thinkers' conference" I am sure. But now there is $76,000, and I think that this being for the first time, that this Legislature should enquire as to why this is the case.

Leaving the two points aside, I think I will just continue with the rest of my remarks and get them out of my system.

Hon. Mr. Wishart: Would the hon. member be good enough? I was trying to pursue in the public accounts, the location of the first question which he had mentioned. Now I missed his second enquiry. I do not know what he was asking so I must ask him to repeat it.

Mr. Lawlor: In the estimates of 1967-1968, Mr. Chairman, at page 18 under the criminal law division, there is a section over and above. At the present time, it is the office of the director of public prosecutions and the Crown attorneys but in previous years there has appeared the criminal appeals and special prosecutions. I do not see anything about that in this year's estimates. It seems to have disappeared into clean air. While the Attorney General is thinking about that—

Hon. Mr. Wishart: Well, I could answer that, Mr. Chairman. In our reorganization, we dispensed with that. That no longer exists. To perhaps avoid placing our lawyers in certain groups or categories, we just dispensed with that as a title. We do not carry it on under that name.

Mr. Lawlor: If I may pursue that then just for a second. The special prosecutions —in this province and particularly in the city of Toronto, I know for a fact on their liquor legislation, there is a special prosecutor who is still retained by the department. Again, coming back to what we mentioned earlier this evening, is it the intention and tendency of the department to eliminate special prosecutions and would that be part of the reason for eliminating this heading?

Hon. Mr. Wishart: No. We do not employ special prosecutors. If you are referring to The Department of the Attorney General in liquor cases, that is not our man. I think perhaps that may have been a city case but

it is not The Department of the Attorney General and that is not the reason for the elimination of that particular branch to which the hon. member has referred. It is just a matter of what we felt was a better organization within our department. Instead of putting certain lawyers in that category or group, we simply dispensed with that as a branch of the department.

Mr. Lawlor: Perhaps the hon. Attorney General, Mr. Chairman, might wish to address himself to the second point with respect to grants.

Hon. Mr. Wishart: That is the one I meant. I wanted the hon. member to repeat his question. I do not know what that was.

Mr. Lawlor: Under item 8, in the vote, grants $76,000. There is nothing like that of any previous size or anywhere close to it in any previous years. The best we can get is the previous year in the estimates under the same item 8. Under the Crown attorneys association about which I was jocular, there was $5,000. Why $76,000 this time?

Hon. Mr. Wishart: The grants, total of which is $76,000. In 1967-68, the previous fiscal year, we made a grant to the Crown attorneys association of Ontario to carry on their work with conferences, discussions and seminars and so on of $5,000. This year we are asking for $2,000 which is a decrease of $3,000 in that item.

Now the increase, or the other $74,000 of the total vote, is a grant to the centre of criminology at the University of Toronto and that is for the purpose of enabling the centre of criminology to conduct a special study and research in the areas of the administration of criminal justice and the prevention of crime as follows: (a) The unrecorded crime in Metro Toronto. They are doing quite a study in that portion of it. (b) The effectiveness of criminal law functions and law enforcement in controlling illegal corporation activities. To help them achieve those objectives we have proposed a grant of $74,000 to give them some assistance financially.

Mr. Lawlor: It looks like a once in a lifetime grant probably?

Hon. Mr. Wishart: For those purposes, yes. They have others – this will not cover the whole cost. This is a grant in assistance and not to cover the whole cost. I doubt if we will have a grant of this kind for this particular objective again. It may be that we will be getting assistance from another field of study but that will wait for another year or until whenever it may come forward.

Mr. Lawlor: Thank you very much. To go on to more substantive matters, I suppose the first thing I want to do is to make it crystal clear, at least to myself, about a matter which I do not suppose you should admit in this Legislature, and which I quite improperly, but nevertheless deliberately, pressed during the recent bills that went through.

If you recall I was insistent all the way along the line on this business of fees being paid into the hands of justices of the peace and other administrators of the courts and so on, which gave them an inside interest and a personal reason for seeing that convictions were obtained. I consider that Mississippi justice. It has prevailed in this province up until recently. Now that is what I want to get crystal clear.

As McRuer points out, two or three things arise under this heading. There were eight Crown attorneys, he says, who were paid on a fee basis and four on commuted fees. Now as I understand the remarks of the Attorney General on a previous occasion, particularly tonight, this is no longer so—that no Crown attorney in this province is any longer deriving fees. Well the fees they do derive on the other hand are paid not into their pockets in any proportion or amount, but into the Treasury of Ontario and looking at the annual report of the inspector of legal offices, they would appear to be quite considerable fees.

If these are the correct fees then there were $1,338,000 etc.—that is close enough—moneys paid. This is the report for the year 1967. I believe that is the calendar year for this particular department—on the inspector's report on page eight.

The second point arising out of that: If that is so, in other words, that all Crown attorneys on a full time basis, or whether or not they are deriving their whole increment from the province and not from any accused person or convicted one for that matter, are they paid pretty much at the same rate? Because on the previous page, McRuer points out the whole scale of fees. I will not go over them but I will mention one or two.

He says one receives a salary of $20,000, 17 receive $15,000 and then it goes down on a sliding scale to where you get, at the end of the day, three of them receiving $6,000 to $7,000. Now, are these fees now uniform throughout the province, are they all getting pretty much the same? Is there a seniority system, or what would be the basis for any discrimination among Crown attorneys? My

final point arising out of this which is again a simple point of information, if there was, in the year 1964, a change in The Crown Attorney Act, 1964, appointing Crown attorneys at large in the province, and three had been appointed up to McRuer. Are you continuing to appoint such attorneys at large? On what basis do you so appoint them territorially? Is it based on the 19 area divisions of the police or on what grounds do you do that? Do you feel that that is operating a good working system at the present time? I would like some information on just how it is working.

Now that is as much as I want to deal with regarding the Attorney General. I have one final matter which may bring on a little debate, though I trust not, and that has to do with the bail system in Ontario. Perhaps the Attorney General may not think that this is the proper place to talk on this and if not I will desist. On the other hand, it seems to me to fall within the ambit of the vote and could fall under the next vote for that matter, under magistrates' courts, I would suppose. If it is acceptable at this time, I would quote a word or two from the Ontario bible at least.

Mr. Chairman: Should the bail matter come in here?

Hon. Mr. Wishart: It could be dealt with here as well as anywhere. Largely, as I said, there are some areas where we can touch it and it is generally a matter set forth in the criminal code, and the discretion as to how it is used is up to the magistrates, but we might get some benefit from discussion here.

Mr. Lawlor: Emerging out of the Dead Sea scrolls, and myself being an Essene, not among the Philistines, there is a great deal to be said on page 745 of McRuer under this heading. He says here:

> There appears to be widespread indifference to the injustice done to accused persons by reasons of unnecessary incarceration pending arraignment. The injustice is demonstrated in a study made by Professor Friedland of those admitted to bail before arraignment and those admitted to bail on arraignment in the city of Metropolitan Toronto. Of the group studied, 92 per cent of those charged with criminal offences were originally arrested.

There is much too much arresting being done in Ontario, as I indicated at the inception of this debate.

> Of this percentage, only 12 per cent were bailed from the police stations.

Under the conditions of possession of liquor I would think that there is special power in the sergeant, under The Summary Convictions Act, to grant bail. I do not think there is any need to call the justice of the peace, although I think that this is generally not known by the sergeant, and they do insist upon calling the justice of the peace who, as my friend has indicated, are very loath to arrive at three o'clock in the morning. The counsel kick their heels in the hallway waiting for one of them to show up.

> "An additional four per cent were released from the jail on Sunday afternoons." The study shows—and this is what I am after—that "84 per cent of all persons arrested for criminal offences remain in custody until their first court appearance."

I trust that there are directives going out from this department in line with these recommendations to bring back to civilization numerous citizens who for the first time having anything to do with the police, are thrown into the cells, often in most unsavoury conditions, and who are presumably innocent because that is our law. Nevertheless they have to wait until ten of the clock or later the next morning to be dragged up from the hole, simply because they have not been provided with adequate services by way of bail.

When they do arrive up there, the whole mentality continues to be defensive and imprisoning. In other words, do not grant bail unless you can help it. The animadversions of McRuer under this heading are admirable as usual. The point is that there is a man who owns a home and has children, and has a steady job and some atrocious bail is set which is punitive really, and designed to keep him in custody. Why, heaven only knows. I had an experience there the other night, with someone in a case of some strikers at Goodyear, where, without reason, they set $500 bail for each of them, but when I appeared on the scene I argued, in accordance with McRuer, that these people out not to have cash bail; they ought to be released on their own recognisance, as they were thoroughly respectable citizens, and there was no reason for this.

Finally after a good deal of argument this was agreed to. That man will appear in court without having the authorities hanging over his head. All the trouble that they had to go to collect this money in hard cash, and in bonds for the other accused to be released was ridiculous. Such are my thoughts with respect to the operation of the bail system

of which I speak, and the actual administration of which, and how the system is operative. And I would hope that the Attorney General would have a great deal to say on this and I would try to prevail upon him so to do. To alleviate, in line with the Ontario bible – McRuer – the whole condition that presently exists, touch bail proceedings.

Mr. Sopha: Under this heading one observes that the last public accounts available to us—that is to say the year ending March 31, 1967—a total of $149,822.15 was spent under the heading of Crown counsel prosecutions, which is item number four. The Attorney General asks for something approaching $100,000 more than that. Now, in order to understand just what is going on here, may I enquire as to the identity of the person who got the highest amount of money during that fiscal year, H. O. St. John? May I enquire who H. O. St. John is?

Hon. Mr. Wishart: Mr. St. Jacques, about whom the hon. member for Sudbury enquires, is the Henry St. Jacques of Ottawa, an assistant Crown attorney.

Mr. Sopha: So he got $5,180. D. H. Scott —I believe that was the one connected with the Truscott affair; and he is of Welland, the Crown attorney of Welland is he not? He got $5,025.

Hon. Mr. Wishart: If I might mention it here, he worked on the Truscott case.

Mr. Sopha: Yes, and there is S. A. Colpitt; he is or was Crown attorney of the district of Cochrane, and he got $4,416. H. F. McCulloch is Crown attorney of the county of Wentworth, and he got $2,400; and B. Ryan, $5,605, he got the highest amount. Who is he?

Hon. Mr. Wishart: Mr. Chairman, I have no objection at all to answering all the questions of the hon. member—

Mr. Sopha: Well, why are you so evasive?

Hon. Mr. Wishart: I am not evasive. Just a moment. As the hon. member pointed out when he started to discuss this he was reading from the public accounts for the fiscal year ending 1967. As I say, I have no objection to this at all, but the point is that we have—and I was about to reply to the hon. member for Lakeshore—we have dispensed with all extra payments to Crown attorneys. They are now purely and simply on salary and they are all—and perhaps I could take a moment to answer some of the points that were raised—they are now all Crown attorneys who serve at large or for the province of Ontario. So we may direct them anywhere, to serve anywhere and to accept special prosecutions. It would have to do with Mr. Calbick, who is very capable, and my senior Crown attorney. He can be directed to take a special case, which he has done on more than one occasion. I will go through all these names if you like and try to sort them out, and tell you what services were rendered. This is something that happened. We no longer have this system. So you will not see any figures—

Mr. Sopha: Yes, because the hon. member for Parkdale and I put a stop to it.

Hon. Mr. Wishart: I would be glad to give you credit.

Mr. Sopha: Precisely why it came to an end.

Hon. Mr. Wishart: Well, it was—it was not I think altogether. I do not want to take any credit away, but it was something that came about not too long after I became Attorney General. Perhaps I might take a little credit. In any event it is no longer in effect. We have Crown attorneys at large in the province of Ontario. We do not have special prosecutions, and special payments. And justices of the peace—while I am on my feet, could I say —the justices of the peace still are on fees.

Mr. Sopha: Could I get a word in edgewise?

Hon. Mr. Wishart: There was a gentleman who asked—

Mr. Sopha: I was making a perfectly legitimate comment, and before I completed my remarks, the Attorney General got up on his feet, and like the CBC he pre-empted my time. I wanted to add, since there was criticism this afternoon, that the member for Parkdale and I got the provincial auditor on our side to put a stop to this. These were inexcusable payments. Now, are we to infer the proposition that $230,000 of the taxpayers' money is going to be used to pay Crown attorneys at large who are going to wander this province conducting prosecutions? Is that the proposition now being advanced?

Hon. Mr. Wishart: Crown attorneys are now all on a salary basis.

To return to my point of a moment ago. I would point out to the hon. member that the hon. member for Lakeshore preceded him in his discussion here, and asked certain ques-

tions, and I was simply trying to take in order the questions which were asked. I was not trying to pre-empt his time, and I was trying to get back before we got too far afield to answer some question the hon. member for Lakeshore had asked.

Mr. Sopha: All right, excuse me, I pre-empted his time.

Hon. Mr. Wishart: You pre-empted his time.

Mr. Sopha: I now withdraw, and please be my guest. Come on in and answer him, and if necessary I will wait until tomorrow.

I can hardly wait because I do not understand. I must be obtuse tonight, but I do not understand. You have $2,217,000—and I will rest easy if I have the answer to this question: Does the $2,217,000 pay the 90 Crown attorneys that you have in this province? Does that pay them?

Hon. Mr. Wishart: Yes.

Mr. Sopha: Well, what is the $230,000 under item 4?

Hon. Mr. Wishart: Those are the *per diem* assistant Crown attorneys who serve when needed on a *per diem* basis. That item is to cover their service.

Mr. Sopha: Fine, I am in a state of equanity. Please proceed.

Mr. Chairman: Vote 206. The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Mr. Chairman, it is with some degree of trepidation that I must speak during the estimates of this department with all the eloquence that manifested itself here tonight, but I want to talk about justice for Indians.

In a study that was conducted by the Canadian correction association dealing with Indians and the law, I would like to make some brief reference to some of the quotations from it.

> In Ontario, particularly from North Bay west, and in other western provinces and territories, the incidence of Indian involvement with the law is alarming, and is purely out of proportion to their numbers. Unhappily for the Indian and the Eskimo, with his special needs and special problems, he has received little opportunity to get what services exists.
>
> It is obvious that the federal, provincial and municipal governments cannot afford the luxury of failing to develop programmes to be geared towards this particular group.

Later on in specific reference to Ontario:

> In southern, eastern and central Ontario the great majority of offences centre around alcohol. If the offence is not under The Liquor Control Act it has been committed while impaired.
>
> With regard to offences with Indians in the institutions of southern Ontario, approximately 80 per cent of the cases are breaches of The Liquor Control Act, and the other 20 per cent vagrancy, theft, assault, impaired driving, etc., contains elements of alcohol abuse.
>
> Ontario, northwestern, has a vastly disproportionate number of Indians. The Indian people are coming into conflict with the law, except for very remote areas. The offences are either violations of The Liquor Control Act or crimes—usually crimes of violence where liquor played a prime causal role.

I think in speaking to some of the Ontario Provincial Police, particularly in the north part of the province, they seem to have a better idea of what the contributing factor is with regard to the Indians' involvement with the law, and the reason for it. It is this frustration that they have with regard to the whole economic situation that the Indian finds himself in and not the reverse as some people tend to think.

There are many many ways in which all levels of government have been remiss in providing for the kind of attention that is necessary to bring Indians into the mainstream, and to relieve some of their frustrations, and in that way you get to the root cause of the Indian problem.

A lot of people tend to think, particularly the sociologists, that the reason for the Indian drinking to the extent that he has, or getting the name of being an habitual drinker or somebody who cannot handle alcohol, and therefore runs afoul of the law, much more often than the general population proportionately, is caused by frustration.

Many of the officers of the Ontario Provincial Police that I have spoken to seem to have a better idea of what is needed. I was wondering why this department did not prevail upon other departments of government to implement the kind of programme that is necessary to divert the Indian population's attention away from drinking, to divert his attention from relieving his frustration in this way.

If I may quote here an article from the Toronto *Daily Star*, on January 26: "Indians in jail cost millions that should go for help."

That is quoting A. E. Bigwin and he said that about 2,500 Indians are now in federal penitentiaries, almost five times the number imprisoned in Canada proportionately. If those in provincial jails were added to this figure—he said—it would show that more than 30 per cent of inmates are of Indian ancestry although Indians only make up about three per cent of the total population.

It must be obvious to everybody that it is a problem that has reached such proportions that it just cannot be ignored any longer. The Ontario Provincial Police realize this and I think to some extent they are a bit lenient with the people who are the Indian population when caught for offences against the liquor control board, or the liquor laws of the province. They do overlook some of them, but where they are not overlooked, it is a clear case of discrimination against the Indian people.

In another article by Magistrate Morrow, when he investigated the problem at Hay River in the Northwest Territories, he urged that drunkenness should not be a crime. It should not be because if you put an Indian who is causing a minor offence under the liquor laws of the province of Ontario in jail, nobody suffers but his family. He invariably ends up in jail because he does not have the necessary resources to pay the fine.

If he has a job, he has lost it by the time he has served his sentence and it has served no useful purpose because he is out of a job. He has to apply for more welfare, and usually it is not the offender who suffers, it is the wife and the children.

I think the officers of the Ontario Provincial Police are in a better position to judge what the conditions are on the reserves and bands of Indians in settlements on the edges of communities, particularly in northern Ontario. I think they are in a position to judge what the frustrations of the Indian people are, and to some extent what could be done.

I was wondering if this department has taken under consideration any kind of a programme that would help. One way I think it could help would be in establishing many more of these friendship centres.

It is common knowledge that the average person who comes in from a reservation and wants to spend a little time in an organized community, if they want any social life at all about the only place they can go is to the beer parlour.

A good many of them would welcome an opportunity to commune with other people in these friendship centres in the same way that anyone else would and they certainly have a right to. Obviously, there are not any of these facilities available to them, so they end up in the beer parlour and, of course, the inevitable happens.

I think another way in which this department, certainly with the cooperation of the liquor control board, could help and remove some of the frustrations is in the way that we treat our Indian population with regard to enforcement of the liquor laws.

In one particular case in my riding where they have one of these retail outlets in a store, an Indian cannot go in and buy more than one bottle at a time, yet any other citizen in the community can go in and buy as many as he wants. So you are discriminating against them and you are saying, "You are a second-class citizen. You do not know how to hold your liquor, so we will only give you one. Come back and see me tomorrow and maybe we will consider giving you another one."

There are many cases of this where we are discriminating against the Indian for the simple reason that we continue to do his thinking for him. We have not allowed him to exercise any responsibility—to be a judge of what he should do and what he should not do, certainly within the law. I think we have, throughout the years created second-class citizens and I can assure you it is not contributing to our rehabilitating a man and moving him into the mainstream of society, which I think is our ultimate objective.

I think this department, more than any other in this government, is in a position to see what the causes of these frustrations are. Over 80 per cent of the convictions that the Indians find themselves with are convictions under the liquor laws of the province, and I think this department could take the lead in contributing towards the rehabilitation of our Indian population.

I was just wondering if the Attorney General would cooperate toward this end and indicate that he would be in a position to foster this kind of a programme?

Hon. Mr. Wishart: Mr. Chairman, this whole question of the position of the Indians —the way the law has to regard them, what may be done to take away some of the frustrations they suffer and perhaps, in that way,

improve their performance in our society—is a very broad and wide question which I am sure the hon. member knows has received a lot of study.

The Department of the Attorney General plays its part in the committee of Cabinet which is chaired, I believe, by the hon. Minister of Social and Family Services (Mr. Yaremko), and which is one of the functions co-ordinating the efforts of all departments. While we would like to be helpful, I do not think it really falls within the function of the administration of justice to provide some other programme any more than to assist as we can.

I agree with the hon. member that simply locking up Indians for being drunk—or any other citizen; I do not think we should speak of them in different terms—I do not think that is a good policy in any event. I do not think that meets the problem of the drunk. I do not think it is good for society. I do not think it is good for our approach to the administration of justice, but so far we have not come up with a very complete answer to that, or any real programme as yet to deal with that, which is a problem of our whole society. The Indian seems to be prone to it more than others, for one reason or another. The hon. member says it is because he is frustrated with the failure to understand our approach to meet it. But are we to discriminate against him and treat him differently? He wants to be treated with all the privileges of any other citizen and I think perhaps we must go either one way or the other, not half way, or any different way.

I was interested in the incident, or the situation, where the hon. member says in some municipality he is offered one bottle, but that is not law. That is not the law, that is somebody's local practice, with or without reason. But the Indian does not have to accept that, actually. It is something that local practice has brought about. It is the first time I have heard of it.

I do not know that I can offer anything, other than to say that I, as Attorney General, sit as a member of the committee of Cabinet dealing with Indian affairs. One of its function is to coordinate the efforts of all departments and we have had a number of meetings and it has liaison with the federal government departments and the problem is one which is not capable of easy solution.

Certainly I do not know that it should be devised in The Department of the Attorney General, although I would be most anxious to cooperate in any way that would be suggested. I do appreciate the comment that the Ontario Provincial Police take into account—I think they do this very capably—they take into account, in those areas of northern Ontario, particularly, where they police and have much contact with the Indians, they take into account the proclivity of the Indian to get into trouble, particularly with offences against our liquor Act. They are not the most serious offences, and they are treated with consideration and the provincial police try to return them to their jobs, or to their families, without getting them involved too much in court.

But, as the statistics show, the great percentage of the offences that the Indian gets involved in are caused by liquor, or they are offences against the liquor Act, or if it is an offence of violence—assault, disorder—it is usually caused by having imbibed quantities of liquor. I do not think I can say more than that we are, on the one hand, required to treat the Indian as a citizen the same as any other without any discrimination, but if there is any consideration that is given at all, that given to him by our police forces and by our courts is in the way of a consideration because of this apparent proclivity of being involved with liquor offences.

What programme one might devise I think is beyond the purview of my department. I think there are programmes of work, particularly in northern Ontario, programmes of supervision, programmes of recreation, all of which we would support, but I think it would come certainly under some other department to initiate it. We can only do our part in the enforcement of law, having consideration for the Indians coming in the hands of the law, or through the courts.

Mr. Sopha: I want to raise a point of order, Mr. Chairman, that may become important tomorrow.

I think of this vote 206 as being the framework of the personnel within which the criminal law is prosecuted in this province. It deals with the office of the director of public prosecutions and the Crown attorney's branch.

I take it, Mr. Chairman, that you will rule that, under vote 207, we deal with the substantive law and the methods, the premises and the basis upon which the criminal law is enforced under the Attorney General.

I have no wish to interrupt my friend from Thunder Bay in that important matter he raised but it was, after all, a matter of substantive law. I take it vote 207 deals with

the whole framework of the administration of justice in the province?

Mr. Chairman: I would think that vote 207 was detailed quite extensively as to the various branches and they do appear to be exactly what the member suggests—the administration of justice.

Mr. Sopha: Vote 206 is the administration.

Mr. Chairman: Vote 206 is the criminal law division, the two separate offices; but the administration of it is under vote 207.

Mr. Sopha: Yes, well, I would not want you to rule tomorrow if we take up a matter of the enforcement of the criminal law—I would not want to be met with your ruling that it should have fallen under vote 206.

Mr. Chairman: I do not see how the Chairman could rule in that manner, because if it falls within the purview of vote 207—any one of the branches—it would be in order.

Mr. Sopha: There will be things we have dealt with tomorrow that have not got a specific head.

Mr. Chairman: If you have a specific example, the Chairman—

Mr. Sopha: For example, I intend to take up tomorrow the question of the continuance of this inhuman and bestial practice of putting the prisoner in the prisoner's dock. You find no vote for prisoner's docks in vote 207, no item for it, but I think it appropriate to take it up under vote 207 instead of this which is after all only the bureaucracy for the enforcement of the law.

Mr. Chairman: Well, since the Chairman is such a lenient and flexible Chairman, I am sure there will be no restriction on it.

Vote 206: The member for Thunder Bay.

Mr. Stokes: Mr. Chairman, I would not want to leave this House with the impression that the Indians feel that they are getting complete justice and complete equality before the law with regard to convictions generally, let alone to say that they feel that they are being treated equally with regard to the convictions under The Liquor Control Act. If I might quote again what I quoted earlier from The Indian Act:

> Because of the high involvement of Indian people with liquor infractions, a close look was taken into the provisions of The Indian Act as it relates to liquor control. Most police officers, magistrates, Indian affairs branch officials, Indian leaders and inmates, felt strongly that the liquor provisions of The Indian Act should be deleted, and that for purposes of liquor control Indian people should be dealt with the same as other residents under the terms of the provincial and territorial liquor legislation. It was apparent from observations and statistics that many Indian people are being convicted under sections of The Indian Act for behaviour that is not an offence under the provincial legislation.
>
> A recent indication of dissatisfaction with this aspect of legislation affecting Indians is provided in the following newspaper stories.

It gives specific instances.

Hon. Mr. Wishart: Do those remarks apply particularly to Ontario?

Mr. Stokes: Well I think they do.

Hon. Mr. Wishart: I do not believe The Indian Act is used very often.

Mr. Stokes: Well, it does apparently in some jurisdictions where the Indian runs afoul of either one or the other. Now, just to show you how incongruous it is, you have many reservations in Ontario where they have not taken a referendum with regard to whether or not they want to take liquor on to the reservation. It is quite possible where you have Indians living on separate reserves, possibly on opposite sides of the road, where they have taken the referendum on this side, and they have not taken on this side, and the officer will follow them on to the reserve.

It is an indictable offence if they happen to live on one side of the road, and it is not an indictable offence if they happen to live on the other side of the road. This is just how ridiculous some of our liquor laws are.

Hon. Mr. Wishart: I would just like to interject. I may be wrong on this, but my impression is that our provincial police officers seldom charge under The Indian Act. I think that this quotation the hon. member is giving must be from the activities of the RCMP on the reserves. I doubt if our people charge many offences at all under The Indian Act. I do not think they get into that area at all.

Mr. Chairman.: Vote 206 agreed to?

Mr. Stokes: No, I want to pursue this further.

It further states that police relationships with Indians appear to be more positive and healthier in the Maritimes and Quebec than

in the rest of Canada, so I assume from that that they do not consider the relations between Indians and our police forces as good in Ontario as it is in the Maritimes and Quebec. It must be remembered that the incidence of crime among the Indian people in these areas is relatively low, not only on comparison to other parts of Canada, but also in relation to the non-Indian crime rate within the area.

It must be obvious to everybody that the incidence of crime among our Indian population is much higher than it is among the people of Canada generally.

Mr. Sopha: I do not agree with that for one minute.

Mr. Stokes: Well, statistics prove it. I quoted earlier—

Interjections by hon. members.

Mr. Chairman: Order!

Mr. Stokes: The rate of crime is higher!

Mr. Sopha: Being drunk? You call that a crime, being drunk?

Mr. Stokes: I do not call it a crime, it is what the court says. If you do not believe me listen to an Indian. "Canadian taxpayers are paying millions of dollars to keep Indians in jail because governments have failed to establish policies to help them," an Indian who is a Toronto school principal charged last night. A. E. Bigwin, an Ojibway, said that about 2,500 Indians are now in federal penitentiaries.

He says that we must get at the root of the problem. We cannot keep putting Indians in jail just because they happen to run afoul of the law because they vent their frustrations by taking a few drinks. You are just aggravating the situation. Now, I did not say that—

Mr. Ben: Do you accept those figures that 2,500 Indians are in federal penitentiaries? Do you accept those figures?

Mr. Stokes: I did not say that. No, I did not.

Mr. Chairman: Order!

Mr. Ben: If you quote you are responsible for the figures.

Mr. Stokes: If those in provincial jails were added to this figure, he said, it would show that more than 30 per cent of inmates are of Indian ancestry, although Indians only make up about three per cent of the population.

Interjection by an hon. member.

Mr. Stokes: Well he must know.

Mr. Ben: But you are saying it.

Mr. Stokes: It backs it up in here too. Here is a federal study, "Indians and the Law," a survey prepared for the hon. Arthur Laing, Department of Indian Affairs and Northern Development. It was put out by his department—

An hon. member: Is that federal or provincial?

Mr. Stokes: Well, if he is a good man you must accept his figures—

Mr. Sopha: Probably put out by the man who beat Davie Fulton.

Mr. Stokes: All I am trying to say, Mr. Chairman, is that I do not accept for a minute that Indians are more lawless than any other segment of our society. But I do not go along with the idea that they are getting equal justice before the law. I am saying that if they run afoul of the law because of an infraction against the liquor laws of the province they are dealt with in a different way because they do not have the wherewithal. They do not have the finances behind them to pay a small fine. They end up in jail, their families suffer, the whole family breaks down as a result of it, and as I say they are not getting equal justice before the law.

Mr. Sopha: Mr. Chairman, I wanted to add, of course, that there is no province in Canada that is more notorious than Ontario in desiring to put people in jail. Ontario leads the way.

I sought and obtained the figures from the Dominion bureau of statistics and they arrived only a couple of days ago—I am going to sift them overnight—in respect of liquor offences.

But tonight I want to deal only with that aspect raised by my friend from Thunder Bay, and I want to say very quietly and very firmly that it is a shocking disgrace on the administration of justice in this province the number of Indian women who are incarcerated in our institutions for being drunk, being arrested in public places and hauled into magistrate's court. Being economically disabled they cannot pay the fine meted out

to them and they go to be incarcerated in our institutions.

The Attorney General says, "I sit on the committee, we sit on the committee, and we are trying to figure out ways of obviating this."

Well, I say to him that if our society is truly built on a religious base and is motivated by human instincts then, let him take that $75,000 we give to the Minister of Tourism and Information (Mr. Auld), and let him take that $1.8 million we are going to give to the horseowners, and build some hostels.

Instead of throwing these Indian women in jail as his law officers of the Crown are prone to do in their participation of process, send those Indian women to some domestic environment, let them make quilts or pick blueberries or engage in some other pastoral pursuit, knit socks or do any of the multiple things that women can do rather than jail them.

Every time I go to the district jail in Sudbury I automatically look at the board to see what the count is, and I look at the number of women. If it is 11, 12 14, 13 or 6, I say, how many are Indians? Invariably the great majority of them are Indian women.

White women, Anglo-Saxon Caucasian women are not thrown in in that way because if we ever did it you would hear such an outcry in this province of wounded sensitivity to the way we treat our women that it would not be tolerated. And white women, of course, have the advantage that somebody will come forward and pay their fine.

But they march the Indian women in, and I have seen them Monday mornings, I saw some this morning in magistrate's court, beaten up, downtrodden, alcohol soaked, inarticulate, undefended. They get up and read the record, as many as 10, 12, 15 convictions in the calendar year and the magistrate groans out the automatic 30 days or three months. Nobody, I notice, gets up and says to him, can she have time to pay. It is useless. How would she get the money to pay? Where would she get it from? Even an Indian male will not come forward and put up the money for them. The Indian male being addicted to alcohol himself, he would not part with his money to bail an Indian female out because that would deprive him of the facility to get some more wine and the fact is, of course, that sociologically, psychologically, physiologically, our Indians are not able to drink. They are not able to drink in the way Caucasians can drink and handle it. There is something chemically wrong with their bodies that they cannot—

Mr. J. L. Brown (Beaches-Woodbine): You are wrong.

Mr. Sopha: That is true!

Interjections by hon. members.

Mr. Sopha: From my own experience—

Mr. M. Makarchuk (Brantford): Your prejudice is showing.

Mr. Sopha: From my own experience—just a moment—I will take them all. I have personally been engaged in criminal trials with Indians where alcohol has been involved, I say to my friend from Beaches-Woodbine, if he will remain silent for a moment, and where the psychological manifestations are completely and utterly different than you encounter among Caucasians, just completely and utterly different.

Mr. MacDonald: Nonsense!

Mr. Sopha: Let me give you an illustration—

Interjections by hon. members.

Mr. Sopha: Oh no, you do not trap me into that.

Mr. J. Renwick: That is a shocking remark.

Mr. Sopha: Go ahead with all your adjectives, get all your adjectives over.

Mr. J. Renwick: Well, we cannot help it, when you talk such—

Mr. Sopha: Are you finished then?

Mr. Ben: Even at university we were taught that the Jews, Italians and Poles had a greater tolerance to alcohol than the other Caucasian races.

Mr. J. Renwick: Oh sure, no difference!

Mr. Chairman: Order!

Mr. Sopha: Are you all finished? Now let me relate my own experience in this regard and I will draw on one illustration. On two occasions I have been involved in homicide trials where the alleged, comparable homicide resulted from, at the end of a long period, indulgence in alcohol, a long period lasting over several days. In each of these occasions, there were four or five Indians involved and they came to the point, after several days of imbibing of alcohol, where

they engaged in conduct accompanied by almost a total amnesia—behaviour where they simply were not able to relate at the end just what their particular involvement was. I have never encountered that set of circumstances with Caucasian people.

Well, look at the manifestations of it. Indians on—

Interjection by an hon. member.

Mr. Sopha: Look, will you just keep quiet for a moment?

Mr. White: Your racial prejudice is showing now and you sound so sanctimonious.

Mr. Sopha: The Indian—no, I utterly repudiate that!

An hon. member: It does not matter whether you—

Mr. Sopha: In the face of that canard—

Mr. Chairman: Order!

Mr. Sopha: In the face of that canard, I merely dig my heels more firmly in the rug and tell you that that canard—that imputation—is really unworthy although you can really strike low depths—

Mr. Chairman: Let us return to the vote and proper debate. The member for Sudbury.

Mr. Sopha: Look at the manifestations, I point to my own experience with Indians. The Indian, on repairing to the source of supply and getting the half dozen bottles of wine, comes out, goes behind the nearest signpost or rather a place where he can obscure himself and drinks the whole bottle down without stopping, a manifestation of the—

Mr. MacDonald: Whites can do the same thing too!

Interjections by hon. members.

Mr. Chairman: Order, order!

Mr. Sopha: A sociological manifestation of the fact that the police, for generations, were leaning over the Indian's shoulder and would wrench the bottle out of his hand before he had a chance to drink it. The Indian has learned, through this conditioning behaviour, get the stuff in your stomach before the policeman can come and take it away from you. The accompanying drinking bouts—I have seen drinking bouts among Indians such as I defy anybody to say that they have encountered among the Caucasians.

I want to encapsulate this. You have heard all the hearty cries from the left—the very same things about the Indians' inability, psychologically, socialogically and physiologically to handle alcohol. The very same things were heard at much greater length and more extensively last October when I went to the continuing centre of education at Elliot Lake where they had a conference on Indian affairs.

There were several hundred Indians, and I made the same submissions as I have made here tonight. There was not a shred of disagreement from the Indians. But the experts here, who pretend to speak for the Indians and are such experts in their behaviour, they sound like a bunch of wounded seagulls when one relates the facts.

Interjections by hon. members.

Mr. Sopha: And having said this, all I have really said is this proposition that alcohol affects the Indian differently than it does the Caucasians. That is all I have said.

Mr. MacDonald: I have seen different cases where white people acted just as badly as the Indian.

Mr. Sopha: But some people cannot stand the truth, and my friend from London South says I am guilty of racial prejudice and the wounded seagulls over here start to rant and rave and that is all I have said. It is all I have said and I rely on my own experience.

Mr. J. Renwick: The cheapest form of racism that we have heard in this House.

Interjections by hon. members.

Mr. Chairman: Order, please!

Mr. Sopha: The greatest disservice the white man ever did to the Indian on this continent was exposing him to the C2H50H. He taught the Indian to drink and wreaked havoc with the Indian down through the generations and now my friend from Riverdale, a very intelligent man, in the face of that sociological fact, he says it is racism. How ridiculous can you get?

Interjections by hon. members.

Mr. Sopha: How ridiculous can you get to revert to that basic fact?

Mr. Stokes: Mr. Chairman, what has this got to do with the Indians' ability or inability to cope with alcohol? That has nothing to do with these estimates.

Mr. Chairman: The member for Thunder Bay mentioned it in the first place.

Interjections by hon. members.

Mr. Stokes: I made reference to it with respect to his treatment in the eyes of the law. We are not talking about his ability to cope with it.

Mr. Chairman: Well, the member mentioned the Indians' inability to cope with it, in the same manner as other people. He mentioned this himself.

Mr. Sopha: I want to make just two more points. I want to reiterate to the Attorney General, and to plead with him, let us stop putting these Indian women in jail for liquor offences. Let us find an alternative method of dealing with them and perhaps the hostel method of some less incarcerative environment is the place where they ought to be sent.

Second, it is interesting to note that the Indians themselves, and I will inform our friends to the left, recognize their weakness in respect of alcohol because it was very informative when we went to Big Trout Lake a couple of years ago to be informed of the rigid restrictions in respect of alcohol on the reservation. None was permitted at all. They simply would not tolerate its introduction on the reserve.

They went to the extent, we were told by one of the principal men, that the pilot or co-pilot or both of a commercial air service coming into Big Trout Lake were found by the principal men to be imbibers of alcohol and had dropped some on the reserve, and they told that commercial service that they would not deal with them any more. In other words, the attitude there among those Indians was total isolation from alcohol. They simply did not want it as part of their culture.

Some of these people have simply never been to reserves. I act for six Indian bands and I will stand by what I have said here tonight. I act for them and the chiefs and principal men, on many occasions have indicated their distress to me that the ravages of what alcohol can do.

Mr. MacDonald: The reserves should get a new lawyer.

Mr. Sopha: Do two wrongs make a right?

Mr. MacDonald: No. But why are you compounding the wrongs?

Mr. Sopha: We know that and I am merely saying that it has a special sociological and psychological effect upon Indians, that is all I am saying. The reaction to it—and finally, here is the great sin—is in the enforcement of the liquor provisions of The Liquor Control Act, there is always discrimination against the poor. It is poor drunks that are picked up by the police. Indians are invariably poor, so the rigours of law enforcement descend more heavily upon Indians. They are the ones.

In many cases I suppose—it is true one can only conjecture—that a policeman making his rounds and seeing a drunken Indian, whereas he might make an exception, say a friendy word or guide the white man to his home, the Indian does not get the benefit of that. He is considered to be homeless, an itinerant, a drunken vagabond and he is picked up and put in the hoosegow, and very frequently sentenced to a term of imprisonment.

All the self-professed experts are here, and I would like to hear from them, and what—

Mr. White: The causes are environmental and not genetic.

Mr. Sopha: What is the matter with you? All right? Sociological, psychological and physiological—all three!

Interjections by hon. members.

Mr. Sopha: I will tell you why I think it is. It is because for many hundreds of years, back to the beginning of civilization, Caucasians have been exposed to alcohol and become endemic to it. But Indians just have had complete disinterest. Their exposure to alcohol would be only 500 years. They have not become endemic to it.

Interjections by hon. members.

Mr. Sopha: Let us not overlook, in our attitude and reaction to alcohol, the difference to attitude to it expressed on the North American continent in contrast to the attitude in the European country. The outlook on alcohol has been entirely different. The European countries never experienced the Puritan aversion to it that we have in North America with the temperance drives.

Interjections by hon. members.

Mr. Chairman: Vote 206? The member for Thunder Bay.

Mr. Stokes: Mr. Chairman, I just want to refute one statement that the hon. member for Sudbury made when he said that his remarks that he made in Elliot Lake were completely endorsed—

Mr. Sopha: I did not say that. I said that there was no objection.

Mr. Stokes: Here is a table showing the number of Indian bands in Canada which have held a referendum of liquor privileges.

In the province of Ontario 55 reservations held referendums and 50 of them voted wet and five of them voted dry, so that they do not accept the premise that they cannot handle it. They think that they have every bit as much right to have it as you and I and I agree with them.

Vote 206 agreed to.

On vote 207:

Hon. Mr. Robarts: Mr. Chairman I would assume that there will be discussion on vote 207.

Hon. Mr. Robarts moves that the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, tomorrow I would like to deal with second readings with the House in the committee of the whole; and then the third readings. Then we will return to the estimates.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:30 o'clock, p.m.

No. 134

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Wednesday, July 3, 1968

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, JULY 3, 1968

The House resumed at 2:00 o'clock p.m.

Prayers.

Mr. Speaker: Petitions.

Presenting reports.

Motions.

Introduction of bills.

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, before the orders of the day, yesterday afternoon the hon. member for Huron-Bruce (Mr. Gaunt), in the absence of the member for Parkdale (Mr. Trotter), asked a question of me to which I did not have the answer. It was relative to the report of an ambulance having been called from Pembroke to attend an accident on the Quebec side, and the request had been refused. I have been advised by the operator that two calls were received by his office.

One came from an unidentified caller with little or no particulars of the accident, and very shortly thereafter, a further call came from the Quebec Provincial Police to the Ontario Provincial Police, advising them to disregard the call and that they had already sought an ambulance from Quebec.

Mr. Speaker: The member for York South has a question for the Provincial Secretary.

Mr. D. C. MacDonald (York South): Yes, Mr. Speaker, what basis, if any, is there in the allegation that there was favouritism in the rationing of beer to hotels in the period before the strike of brewery workers?

Hon. R. S. Welch (Provincial Secretary and Minister of Citizenship): Mr. Speaker, I have been advised by the officials of the liquor control board of the province that they have satisfied themselves that there is absolutely no basis to such an allegation.

Mr. Speaker: The member for High Park has a question for the Minister of Reform Institutions from yesterday.

Mr. M. Shulman (High Park): Mr. Speaker, I have a five-part question for the Minister. Was Clyde Roger B. of Ottawa imprisoned in Burwash reformatory last fall? Why was he transferred this year to Millbrook? Why was he transferred this year to Sarnia jail? Why was he transferred this year to Guelph county jail? And lastly, if the Minister agrees that family visits are an important factor in reform, why does his department make it so difficult for some families to visit prisoners by placing them so far from their homes?

Hon. A. Grossman (Minister of Correctional Services): Mr. Speaker, the hon. member will assure himself of going down in the annals of this Legislature, if he addresses the question to the proper Minister, the first Minister of Correctional Services, and I am sure that it surprises no one that he has asked me the first question.

In answer to the question, Mr. Speaker, the answer to question one is that this man was admitted to Burwash industrial farm in 1967. The answer to: "Why was he transferred this year to Millbrook?" is that he was a serious behavioural problem and had threatened staff at Burwash. Incidentally, this man, whose lengthy record includes a recent penitentiary term, sir, has been a consistent behavioural problem in our institutions during his numerous incarcerations over the 12 years since his arrival in this province.

The answer to the third part: "Why was he transferred this year to Sarnia jail?" He was one of the ring-leaders in the disturbance at Millbrook reformatory on May 7 of this year. Part 4: "Why was he transferred this year to Guelph jail?" Mr. Speaker, it would not be in the inmate's best interests or in the public's interest to reveal publicly the reasons for transferring this man to the Guelph jail. I am prepared to give the reasons to the hon. member verbally if he will respect the confidentiality of the information I am prepared to divulge under those circumstances.

Part 5: "If the Minister agrees that family visits are an important factor in reform, why does his department make it so difficult for some families to visit prisoners by placing them so far from their homes?" The answer is that the proximity of an institution to an inmate's family is one of many considerations —safety of the public is another important

factor—in determining to which institution an inmate will be sent. In any event, to the best of our knowledge, this man has only one relative in the province. This relative lives closer to the Sarnia jail than to any reformatory or industrial farm in the province, and recently visited the inmate there. I think that this is all I can give the hon. member at this time.

Mr. Speaker: The member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Speaker, I have some questions for the Minister of Financial and Commercial Affairs. The first is what steps were taken by the Ontario securities commission to verify the accuracy, and determine the adequacy of the information provided by the officers and directors of Prudential Finance Corporation, in the prospectus dated June 14, 1963?

Second, did the Ontario securities commission receive any indication of sales or debentures being made to other than existing holders of the company's debentures after June 30, 1964 when the June 14, 1963 prospectus went out of date?

Third, what caused the Ontario securities commission to issue an order in March 1966 to discontinue sale of debentures which, under regulations of that date, did not require a prospectus when sold to existing debenture holders?

Fourth, did the Ontario securities commission receive any indication of sales of debentures being made by the company after March, 1966, when it issued the order to discontinue such sales? Did it make any effort to check whether such sales were being made?

Fifth, what breaches of the Act or code occurred in the case of the sale of securities of Prudential Finance Corporation Limited? What action did the Ontario securities commission take to enforce these breaches? What has been the result of the action?

Sixth, what steps did the Metropolitan Trust Company, as trustee for the debenture holders, take to ensure the company was maintaining its covenants to the holders of the unsecured debentures? Were such steps adequate?

Seventh, is there any claim in law on these grounds or others by the debenture holders against Metropolitan Trust Company to compensate the debenture holders for their losses?

Eighth, what were the principal causes of the loss of $20 million between June 1963, and November 1966, as shown by an examination of all records, including those of third parties, to ascertain whether the costs recorded in the company's records contained any amounts of assets delivered to insiders?

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, I will take the questions as notice.

Mr. J. Renwick (Riverdale): Mr. Speaker, before the orders of the day, I would like to raise this point of order related to the questions before the orders of the day.

Mr. Speaker, my colleague, the member for High Park, has run on two occasions now into the situation where you have not accepted a written question submitted to you, prior to the opening of the House, and which was in conformity to the time limits which have been prescribed, and I would like your clarification, Mr. Speaker as to the reason why a question framed in this way was refused, because it appeared to be of topical and immediate current interest.

Mr. Speaker: It does not need comment; if the member would read the question, I will give my reasons.

Mr. J. Renwick: The question which my colleague, the member for High Park had submitted, and which was refused by you is, as follows: "Has the Ontario securities commission investigated trading in the stock of Lynbar Mines in view of—or as it was suggested as a substitute—following action by the securities and exchange commission to prevent sale of that stock in the United States?" And then there were the usual concluding questions, "if not, why not; if so, what were the results of the investigation?" The point that I would like clarification on in this continuing debate is: What questions are admissible? Is it possible that question could have been phrased in such a way—having reference to the securities and exchange commission of the United States—to make it topical and meaningful to the Minister, so that it would have been acceptable by you as Speaker?

Mr. Speaker: I can answer the member's question very simply. The member for High Park was asking a question as to whether there was any investigation into the sale of certain shares, and the question should have ended there. What is done by the American securities exchange control board—or whatever it is—is certainly not part of the question. It is merely icing added to the cake. It does not add anything to the Minister's knowledge, because I am sure his people know about these things. It is, I presume,

advertising and not a point which the member wishes to make, and which perhaps later he can make by a supplementary question. Certainly it did not form part of a proper question in my opinion, and I so rule, and I rule again.

Mr. J. Renwick: Mr. Speaker, if I may comment upon your ruling—

Mr. Speaker: May I point out to the member that the Speaker's rulings are not debatable? If the member wishes to move that the ruling be reversed he may do so. Otherwise the incident is closed.

Mr. J. Renwick: Well, Mr. Speaker, I may so wish to move but before I do move, and because we are not anxious to appeal the Speaker's ruling, I would like if I may, to have a further clarification of the ruling that you have made.

My understanding is that a member wishing to place a question to the Minister is entitled to point out to the Ministry the reason why he considers the question to be of a topical nature. To ask a generalized question such as, "has the Ontario securities commission investigated trading in the stock of Lynbar Mines," is neither informative nor topical unless there is included in the statement, the reason why it is of current and topical interest. In this case, it was because the securities and exchange commission of the United States had made an order prohibiting sales in the United States.

It appeared to me to be an essential part of the topicality of the question that that reference be made, rather than the bare statement without any other informative material in the question. If this is not accepted, it would appear to me that we are making an unsatisfactory question procedure even more unsatisfactory and I would like your elucidation, not just of your ruling, Mr. Speaker, but the reasoning behind the exlusion of this proper reference in the ruling.

Mr. Speaker: Well, I would like to point out to the members that during this rather lengthy session there has been a great deal of tolerance and leeway given to members, and particularly to the member complaining through his deputy leader today, and questions have been allowed, which by the rules, really should not have been allowed. There is nothing in the rules that I can find that says a question must contain the matters which the member states. The rules say that the questions must be of immediate and wide importance, but that does not mean that the question has to contain that background. As far as I am concerned, I feel that a proper question is a question which the members wish to ask of the Ministry concerning something under that Minister's jurisdiction. It can be asked without endeavouring in asking it to impute to the Ministry failure to do something, as some other jurisdiction has done. That actually is the case, in this particular instance, I would say.

So far as I am concerned, my ruling still remains. I have tried to explain how I feel about it and why I made it and, since these rulings are not debatable and we have allowed a considerable amount of debate, unless the ruling is to be appealed it stands without further debate.

Mr. J. Renwick: Mr. Speaker, I am certainly not intending to debate what you have said. I believe I now understand the reason why you rejected the question and that is, because there was the implication—

An hon. member: Oh, no.

Mr. Speaker: Order! Order!

There is no debate and the member is endeavouring now to comment or debate upon the Speaker's ruling. I will be glad to discuss it with him in my office, or with the member for High Park, and he can explain to me these matters and I will go further into it with him. But I will say that I have tried, and the Deputy Speaker, the Chairman of the committee of the whole House, assisted me, to be more than fair to the members from the Opposition side of the House with their questions and the matters which they raise and the manner in which they raise them. Perhaps I was not proper in doing that —I should have been more strict and perhaps that is so. But I felt then and I feel now that a great deal of leeway is to be allowed, but it must not go into other areas.

Mr. J. Renwick: Mr. Speaker, I do not think that anyone on this side of the House has asked that you be either more or less strict or more or less fair to us. All we are asking is, if the question period is to have any meaning, that we understand the rules under which questions are to be rejected by you as Mr. Speaker.

My understanding and I was asking if you would simply clarify it, is that the reason this question—

Mr. Speaker: Order! Order!

This is debating, or bringing into debate, a matter which has been decided—for which there is no debate. As I say, the rules of the

House will not prevent us from discussing it privately if he wishes to do so and receive all the elucidation which it is possible for me to give him. But the incident at this moment, unless the proper procedure is followed, is closed.

Mr. J. Renwick: Mr. Speaker, I fail to understand why you think that I am debating your ruling.

Hon. Mr. Rowntree: Mr. Speaker, I object to this member addressing one more word in this manner to this House on the question of your ruling. I make that statement having in mind that I now understand the question was one which was intended for my receipt as the Minister of Financial and Commercial Affairs. I had no knowledge of the question until I came in the House.

I must object and insist that the member for Riverdale adhere to the rules of this House. He has a proper method of relief—he can appeal the Speaker's ruling, but he cannot debate it by indirect any more than by direct means. There should be no member more familiar with the rules of the House than the member for Riverdale, with his great experience.

Mr. J. Renwick: Mr. Speaker, I appreciate the interjection of the House leader for the government in this question. What I wanted to understand was the reason and to understand whether—

Mr. Speaker: Order. The member will persist until some further action will have to be taken. I have given the member much more leeway than is proper under the rules of the House. I have suggested to him that he is quite at liberty—and I will be delighted—if he wished to engage in a dialogue, to do so outside the House where we can talk freely, and I perhaps can further explain what I have said. I do not think it needs further explanation but if it does I will be glad to do so. Otherwise, this matter is very definitely closed so far as debate on the floor of the House is concerned.

Mr. J. Renwick: Well, Mr. Speaker—

Hon. Mr. Rowntree: You always want to break the rules of the House.

Mr. J. Renwick: I will discuss the matter with you outside.

Hon. Mr. Rowntree: But not in the House.

Mr. C. G. Pilkey (Oshawa): Quiet! He just asked for a point of clarification.

Interjections by hon. members.

Mr. J. Renwick: Mr. Speaker, if the members have completed their interjections, subject to discussing this matter with you outside the House, I would like to reserve our position as to whether or not in this instance we would then raise the matter to challenge your ruling.

Mr. MacDonald: Mr. Speaker, I rise on a question of privilege. Last night this House listened to, in my view, as shocking a statement of pseudo-scientific nonsense with regard to the Indians, from a spokesman of the Liberal Party, as I have ever heard in the House. Now, when I read the record, I find that most of the interjections which we attempted to make to express our dissension did not get to the record; I do not say this in criticism because it was a very hectic session. I just want, on behalf of the New Democratic Party, to dissociate ourselves most emphatically from what was stated, because inevitably it is going to go out as a view of this House.

Hon. Mr. Grossman: I do not know that that is in order either.

Mr. J. H. White (London South): Mr. Speaker, as one of those who interjected last night, I would like to say that I concur with the leader of the NDP and I think I speak for my colleagues in the caucus when I say that we hold no brief for the racist point of view presented by the member for Sudbury (Mr. Sopha).

Mr. V. M. Singer (Downsview): Mr. Speaker, on a point of order, I do not know what took place in this House last night but surely under the guise—

Mr. White: The member for Downsview was not even here.

Mr. Singer: That is right, I was not here.

Hon. Mr. Rowntree: How can the member speak then?

Mr. Singer: Well, if the House leader would keep quiet he will listen to how I can speak and what I am going to have to say.

Hon. Mr. Rowntree: Oh, we will get more of the same thing.

Mr. Singer: Well, if the House leader would pay attention he would perhaps absorb a little education on the way.

Mr. Speaker, surely under the guise of comments on remarks that took place in

the House at a previous time, dissociating or associating oneself with them is not a matter that should come up at this point, either as a point of privilege or a point of order.

Interjections by hon. members.

Mr. Speaker: Order!

I am inclined to agree with the views of the member for Downsview that this is not the place for that particular matter. But since anything that offends or pertains to a member of this House is quite in order on the floor of the House, the remarks, as far as I am concerned, were in order, but perhaps not in the appropriate forum, in view of the discussions which took place last evening in committee of the whole.

Mr. Singer: If they want to say them in the committee of the whole that is their privilege.

Mr. Speaker: I am inclined to agree with the member.

Orders of the day.

THIRD READINGS

The following bills were given third reading upon motions:

Bill 53, An Act to amend The Lord's Day (Ontario) Act, 1960-1961.

Bill 118, An Act to amend The Mining Act.

Bill 140, An Act to amend The Schools Administration Act.

Bill 141, An Act to amend The Secondary Schools and Boards of Education Act.

Bill 144, An Act to amend The Ontario Municipal Employees Retirement System Act, 1961-1962.

Bill 146, An Act to amend The Fire Departments Act.

Bill 147, An Act to amend The Police Act.

Bill 151, An Act to amend The Art Gallery of Ontario Act, 1966.

Bill 157, An Act to control the content and identification of stuffing in upholstered and stuffed articles upon their manufacture, sale and renovation.

Bill 160, An Act to amend The Air Pollution Control Act, 1967.

Bill 161, An Act to amend The Public Health Act.

THE POWER COMMISSION ACT

Hon. J. R. Simonett (Minister of Energy and Resources Management) moves second reading of Bill 158, An Act to amend The Power Commission Act.

Motion agreed to; second reading of the bill.

Clerk of the House: The 16th order, committee of the whole House, Mr. A. E. Reuter in the chair.

THE CONSUMER PROTECTION ACT, 1966

House in committee on Bill 135, An Act to amend The Consumer Protection Act, 1966.

Section 1 agreed to.

On section 2:

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Chairman, I move that subsection 2, of section 2 of the bill be amended by striking out "rate of interest" in the tenth line of subsection 3 as contained therein, and inserting in lieu thereof "percentage rate by which the cost of borrowing is expressed, the total number of instalments required to pay the total indebtedness", so that the said subsection 3 shall read as follows:

> (3) Where the amount to be paid by a buyer under an executory contract was determined after an allowance for trade-in, and is stated in the contract to be subject to adjustment after the existence or amount of liens against the trade-in is ascertained or confirmed, the statement of the terms of payment and the statement of the cost of credit shall be based upon the amount as determined upon the information provided by the buyer; but upon any subsequent adjustment, the percentage rate by which the cost of borrowing is expressed, the total number of instalments required to pay the total indebtedness, or the price shown in the contract shall not be changed.

Mr. Chairman: Shall the Minister's motion carry?

Motion agreed to.

Section 2 agreed to.

Section 3 to 7, inclusive, agreed to.

Bill 135 reported.

THE CORPORATIONS ACT

House in committee on Bill 153, An Act to amend The Corporations Act.

On section 1:

Mr. Chairman: The member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Chairman, in both this Act and The Securities Act there is a problem of insider benefit, or actually it is outsider benefit that I wish we could in some way include in this and The Securities Act.

The definition of an insider is described here, but it does not give any protection in cases where an insider uses his information to pass along the benefit to a friend by telephone, or some other indirect means where a friend, completely outside the family or the aegis of the insider, gains a benefit.

In the United States under the SEC regulations they do have provision whereby an insider is liable as is the person who benefits from information given that enables such person, even though he be no relation or no connection particularly of the insider whatsoever, to be penalized. So the insider who gives the information and the person who benefits are both penalized.

In this clause 1 in the definition it seemed to me the point where this matter should be thought about. I did not know whether the Minister had any thoughts on this matter.

Hon. R. S. Welch (Provincial Secretary and Minister of Citizenship): Mr. Chairman, the amendments to The Corporations Act are complementary to those already made in Bill 50 in order to make them consistent. The intent, of course, is to broaden this whole principle to be applicable here as the member can read. We are, in fact, attaching this definition to any person who exercises control, which is set out here, and I would assume that the person to whom he is making reference would, if he has a type of control, be under the same obligations that are required here by the extended Act.

Mr. Deacon: Mr. Chairman, what I am referring to is the director of a company leaving a board room, having access to privileged information concerning a company that might be about to be acquired by his company, and which at the time is quoted and available in the market at a price well below the price that they will be offering for it.

We have seen many examples of this occurring in the past, where if the director himself does not get a benefit, he, in effect, gives favour to those outside and that person outside buys in the market place with special knowledge and, therefore, is depriving the selling shareholder of an advantage.

Has any consideration been given to this situation and how it could be covered in this Act and The Securities Act?

Hon. Mr. Welch: At the moment I cannot comment except to assure the member now that he has raised this point we would be glad to take it under consideration if, in fact, there is anything to be done further, in consultation with the Minister of Financial and Commercial Affairs.

Mr. Deacon: Mr. Chairman, that matter is covered under the SEC regulations.

Sections 1 to 7, inclusive, agreed to.

On section 8:

Hon. Mr. Welch: Mr. Chairman, I move that clauses c, d, e, f, g, h, and l of section 85(b), as contained in section 8 of the bill be amended by striking out "securities" where it occurs in each such clause, and by inserting in lieu thereof the word "investments" in each instance.

Section 8, as amended, agreed to.

Sections 9 to 13, inclusive, agreed to.

Bill 153 reported.

Hon. Mr. Rowntree moves that the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs leave to report two bills with certain amendments, and asks for leave to sit again.

Report agreed to.

Clerk of the House: The 27th order, the House in committee of supply.

ESTIMATES, DEPARTMENT OF THE ATTORNEY GENERAL
(Continued)

One vote 207:

Mr. Chairman: If the committee feels that there would be any advantage in dealing with

this bill by branches or departments it might be desirable. Does the Minister wish to do it in this way, or take the whole vote in full?

Hon. A. A. Wishart (Attorney General): Perhaps we could take it in total, Mr. Chairman.

Mr. Chairman: I do not think that we will restrict any debate between the branches. We will take the vote in total as we have been doing.

Mr. V. M. Singer (Downsview): My suggestion is that this is a substantial part of The Attorney General's Department, Mr. Chairman, and as there are some 12 to 14 titles, I thought that we might make more logical progress if we do it title by title. It would be foolish, for example, to embark on a discussion of the Supreme Court of Ontario and intermingle that with something about probation service and jump all over the place. It would seem to me that if we did it title by title we would conduct the business of the House in a more orderly manner.

Hon. Mr. Wishart: Mr. Chairman, if it will facilitate discussion, I am most agreeable generally to the suggestion of the hon. member for Downsview. I have no objection to taking it title by title.

Mr. Chairman: I might say that for the last several estimates, we have taken the various estimates of the different departments by total votes. As Chairman, I have no objection if I have the concurrence of the committee that we deal with vote 207 by the branches as set forth herein. Do I have the concurrence of the entire committee? We will, therefore, take vote 207 by titles.

Hon. Mr. Wishart: Mr. Chairman, if I might be permitted before we proceed with the vote? Yesterday, in the evening sitting of the House, the hon. member for Humber (Mr. Ben) was quite persistent in charging me with expressing an attitude, and that it was my personal attitude and the attitude of The Department of the Attorney General, of determination to convict, which, he said, were my words. I denied them because it was not my attitude and I think that he agreed that we would look at *Hansard* today.

Now, I do not know if he has had an opportunity to see *Hansard* or not. Perhaps he would be good enough to allow me to speak to the matter. I have the *Hansard*, which was delivered to me just recently, and it appears on the copy on page 2917-2. I note that the words which he attributes to me were in reply to a question from the hon. member for Riverdale and I was saying that if the charges were laid singly and then you had to dispense or dispose with one, or dispose with one and then consider laying another, I said that the accused person would have a right to be critical of that approach, rather than having whatever possibility you might prove dealt with in one or more charges laid at the same time.

What I said, as it appeared in *Hansard* is this:

> We say we would select this charge and prove it, and having failed in it, we would either have to forget about the matter or start afresh next week or at some future date. That is not a good practice. This is not a very good way to conduct the criminal side of the administration of justice. There will be delay; there will be expense; there will be the calling back of witnesses.
>
> You can understand all the objections which could be raised at that type of thing. You could be bringing the accused person back and he, I am sure, would complain. He would say "Well, you had me in court last week on a charge which has been pending for three weeks. Then it was tried and you lost it. You lost on that and now just because you are deliberately determined to convict me, you lay another one".

I was saying that these would be the words that an accused person freed on one charge might use against you, and say, "No, you lost that charge but you are determined to get me and you come back and lay another." These were not my words, I think that the hon. member will agree. I was not saying that this was our attitude; I was saying that it was the attitude I think an accused person might justifiably have to say critically of us, "You could not succeed on the one charge; now you wait and try to get me on another and you are deliberately trying to convict me." I think that is plain and I am happy to clear it up and I hope the hon. member will look at it.

Mr. Chairman: I must point out to the Attorney General and the committee that vote 206 has been carried and that the Attorney General has simply clarified the accusation that was made against him last night, in which the Chairman had suggested the member should accept the words of the Attorney General.

We are now dealing with vote 207.

Mr. J. E. Bullbrook (Sarnia): Mr. Chairman, I want to refer myself first, in connection with this vote, to the contributions to the legal aid fund of the law society of Upper Canada in the amount of $6.7 million.

Mr. Chairman: Pardon the interjection, but we are going to deal with these by headings, as pointed out, and we are dealing with the

office of the assistant Deputy Attorney General.

Mr. Bullbrook: I am sorry, sir, I did not understand your rulings.

Mr. Chairman: Well, perhaps the agreement was reached before the member was here, but we agreed, with the unanimous consent of the House, that we would take vote 207 under the various sub-headings.

Mr. Singer: Except that he is right, sir, because if you look at that item it includes a contribution to the legal aid fund of $6.7 million—

Mr. Chairman: Is this the matter to which the member for Sarnia is speaking?

Mr. Singer: That is right.

Mr. Chairman: Well then, the Chairman is out of order. The member for Sarnia may proceed.

Mr. Bullbrook: I can tell you one thing, Mr. Chairman, the member for Sarnia is really confused right now.

In connection with the contribution to the legal aid fund, I am not going to go into dollar and cent detail in connection with this. I think the hon. Attorney General agrees that there has been a considerable elevation in connection with the expenditure relative to this fund since the original conception of the idea. We in the profession, I imagine we in the House, and the majority of the people of the province of Ontario have accepted this overall concept as being beneficial in connection with the administration of justice in the province of Ontario.

But I want to make several comments relative to it that come to my attention in connection with the operation of the plan in the Sarnia area and throughout the province.

First of all, Mr. Chairman, I have always been concerned with the intrusion initially of the adversary system in the family courts of the province of Ontario. This is a problem of delicate grounds, because one must recognize that each citizen is entitled and should be entitled to representation by counsel, where any litigation of any kind is confronting them. But I found, in my limited experience, that in connection with domestic problems—marital matters—at this level of the courts that sometimes the intrusion of counsel really has other than a beneficial effect.

I find, Mr. Chairman, that so many times the fact the lawyers are brought into it at this level of the problem causes a polarization of attitude, a stiffening of the spine so to speak. So that we find, in effect, that rather than carrying out of the bound duty of the profession—that is, an attempt at reconciliation—we find, in effect, Mr. Attorney General, through you Mr. Chairman, that we are separating the people, rather than bringing them together.

I would ask you to comment on this aspect of it, because I find now that with the legal aid plan there is even a greater professional intrusion in the family courts than there was previously.

I want to temper what I have to say and again, record it that I am not, nor of course is our party, against the concept providing adequate counsel to all persons at all times. It seems to me that sometimes this very plan is doing a disservice—is taking away from the very intent of the plan itself.

A second thing causes me concern. I am happy about divorce reform—I mentioned in my opening comments relative to these estimates, how proud and pleased I am as one legislator that we are really, as I say, coming into the 20th century. But we read in the paper yesterday the possibility of some 20,000 actions this year. Perhaps this is enlarged, but I know the experience thus far in the Sarnia area. The director has been absolutely deluged with applications for assistance in connection with marital matters. I comment here that I think that, in connection with certificates of approval relative to these marital matters, there should be possibly some direction to the area directors that these applications should be scrutinized even more diligently than those relative to criminal matters.

The next thing that causes me concern in connection with the plan is the fact that we seem to be unduly servicing repeaters. Many of the profession who act in the criminal field themselves, will not service repeaters as a matter of what they consider professional ethics.

Mr. Chairman, I feel that I would like the Attorney General to comment on his attitude in connection with the servicing of repeaters. I frankly was under the impression that repeaters should not be serviced. I know of one young man in our area who has been serviced four times through the legal aid plan and I really feel frankly, perhaps by way of exaggerating, that we are really

servicing somewhat of a criminal element here.

Basically, my concern in speaking of the plan, is that I want to have the comments of the Attorney General in connection with the function and purpose of the plan relative to the family courts. It has caused me not only sincere public concern, but I have had the opportunity of discussing it with you privately before.

Hon. Mr. Wishart: Mr. Chairman, this was one of the matters which gave us, perhaps not concern, but reason to study and consider in framing the legal aid plan. It was hoped, I think, that it would not be so prevalent in its use in the juvenile and family courts as in the magistrates' courts, where persons were coming forward charged with an offence. However, we could not see our way clear to deny to cases in the juvenile and family courts the right of the persons brought before that court to have counsel under the legal aid plan.

It is to be borne in mind that the juvenile and family court is a court presided over by a judge and that the rights and liberties of people are dealt with there. Primarily we like to think of it as a family court dealing with juveniles, which it does in large part but many of the cases that come there involve the rights of parents. Orders are made for support—orders of punishment can be issued out of that court by the juvenile and family court judge.

And to say that persons brought before that court to be dealt with know very important matters affecting their rights and liberties—that they could not have counsel under the legal aid plan. I think it would have been something we could not maintain. I may say this, that some of the judges who have spoken to me—juvenile and family court judges—have expressed the view that they are very gratified that they have the assistance of counsel there. Quite often, I am informed, they do not go in with an adversary approach. It is more a matter of trying to assist the parties, particularly in those cases where settlements may possibly be arranged, or some agreement reached that they can present to the court.

The judges I have spoken to, while they do not always appreciate some of the cases where the counsel get into an adversary approach, are generally, I think, happy that the legal aid plan has assisted them in dealing with the cases before the court.

One of the points that is made to me is that if a judge has to, in his honest endeavour to try and, say, bring parties together or reach an agreement even though they are separated—to make something work, as it were, for both parties and try and be a mediator, to bring them together—then, if his efforts fail, he is then put in the position of having to judge. It is very difficult for him even to appear to be impartial, where he has sat with the parties and heard one attitude and the other and tried to reach some concensus between them.

Then he has to return to his function as a judge and make a decision against one to some extent, or against the other. The judges assure me that the legal aid plan has been a great assistance to them in their courts. Then of course there is the great field of advice and law, which applies to some of the more serious cases which get into the family court; the judges are appreciative of this.

I do not think we can, having gone to this point—and I think, rightly, having gone to the point—of allowing the assistance of the legal aid plan to be given to the juvenile family court—I do not think we could back up even if we wanted to. But my remarks are to the end that it has been a good thing in the juvenile and family court.

What was the other point that the hon. member raised?

Mr. Bullbrook: The fact that we are going to be involved with a great increase in the divorce litigation, and, secondly, repeaters.

Hon. Mr. Wishart: We have made every preparation generally in the administration of justice—preparation of the new rules ready for July 2, when the new federal Divorce Act came into effect.

I think that the immediate rush, which apparently has not been quite as great as it was anticipated, it would be that that immediate rush will probably level off shortly. I think that the provisions we have made to contend with it and meet it will be adequate. If they are not, we will be aware of it at once, and we will move to provide assistance.

I think that, while it was to be anticipated —and we did anticipate it—that there would be an initial rush of cases held back to be entered on July 3, or whatever or as soon as possible. This is happening, but it is not as great as was anticipated, and I think it will

level off very shortly. We can only watch it and do our best to meet it.

Mr. Bullbrook: There was the matter of providing legal aid to the repeaters.

Hon. Mr. Wishart: Oh, yes. There was the question of the repeaters, and I just wanted to say that I have not formed any firm thought on that. But if I were to express my view, as I would think about it, we know that many of these people that come before our courts have been there before, particularly in the magistrate's court, the criminal jurisidiction side. And because a person was convicted once of an offence last month or last year, two years ago, when you say that he is not to be given legal aid on this occasion, you are in effect saying he is guilty, or you are almost approaching that. You are saying that because, you see, he may have been an offender a year ago on the very same type of offence, and there might be every reason to think that he is likely to have committed this offence. I do not think you can say that because a person offended once he is not entitled to a fair trial on this occasion when he may be completely innocent. To deny him legal aid would be to condemn him out of hand, to say, "Because you offended once, or twice, this time, although you may be perfectly innocent, you are not going to get any help." If you accepted that idea—

Mr. Bullbrook: I agree with you on that, I would not go that far.

Hon. Mr. Wishart: No. All right, perhaps for a certain type of offence, perhaps some of these offences where a person has a long record, I think it might be fair to say, that after a long series of offences a repeater of that nature—you might draw a line somewhere and say, "Here and no further." But I think one would have to be careful where one drew the line.

Mr. Bullbrook: In connection with your remarks regarding repeaters, I agree; it is a delicate balance. I must say though, on behalf of the public pocket, you sometimes find it difficult to accept legal aid servicing for example—somebody for the fourth time on breaking and entering, something of that nature. But I recognize the tightrope that you must walk as far as justice is concerned.

In connection with my first remark, I just put this on the record by way of a thought: In connection with the adversary system in the family courts, I perhaps would like to see—and I am not too knowledgeable—I would like to see the possibility on the first call in these matters, what we call in Sarnia, the first call. Apparently they are adopting it in the Metropolitan Toronto courts. In other words, if a man is summonsed for July 8, we expect to go on July 8, and we usually have our trial on July 15.

I was just thinking that when these matters come up on first call, in many cases, Mr. Chairman, more good can be done without counsel there. It is just a thought that you might discuss this approach with your juvenile and family court judges. I entirely agree with the proposition that there should be an entitlement to assistance. And one other thing: I take it that it goes without saying, in connection with the possibility of the divorce matters, that we are going to be dealing primarily, I would think, with the female plaintiffs really, in servicing through the plan —and I imagine on an order for party and party costs. Then, of course, these costs are attributable to any solicitor, and client fees are paid out of the plan to the solicitor assigned. Would I be correct in that? Provided they were coverable? Do I make myself clear, sir?

Hon. Mr. Wishart: I am not sure that I am clear on what the hon. member—

Mr. Bullbrook: I hypothesize that the plan servicing a lady in a divorce action—she is successful and costs are awarded against the defendant husband on a party and party basis. I take it that it goes without saying that the party and party costs, if they are recovered, are received and paid over to the plaintiff's counsel, as against the solicitor and client bill.

Hon. Mr. Wishart: That is the way it is designed.

Mr. Chairman: The member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman, may I make, I trust, a few pithy, pertinent and profound remarks?

The scheme of legal aid, as you know, has completed its first full year of operation. While the cost has jumped considerably to $6.7 million as estimated for this year, from $2 million last year, it is supported wholeheartedly, as the hon. Attorney General knows, by this group in the House. I noticed—

Hon. Mr. Wishart: Mr. Chairman, would the hon. member permit me to interject that we are not comparing a year against a year. We did not jump from $2 million for one

year to $6.7 million for another year. We are not comparing comparable periods, you understand.

Mr. Lawlor: I can appreciate this is the first full year of operation, and I notice in a brochure sent around by the director of the scheme, Mr. Andrew Lawson, called "A Milestone for Justice", speaking of the legal aid scheme which came into our hands a few weeks ago, at the bottom of page 1 he says: "The legal profession has, in fact, put a great deal of effort into the plan, and the government is arching an eyebrow as to cost." I started out by saying that we are wholly in favour. I trust that no eyebrows are being arched over on that side of the House. I cannot see the Attorney General's eyebrows for the moment, but—

Hon. Mr. Wishart: At least they are wide open. I will say that as to the cost. We keep our eyes carefully on the administration of that plan. Maybe I do not arch my eyebrows but we are watching that very carefully.

Mr. Lawlor: I would trust that would be so within the internal operation of the plan, with no view to cutting back its actual scale of operation. The plan is conducted as the members, I trust, know on an enlightened social benefit basis, on a contributory costs set-up in which someone who can contribute in whole or in part for a period of time to the costs of his legal aid—criminal or civil—makes such a contribution. One of the questions I will be coming to, Mr. Chairman, is to what extent at this stage moneys have accumulated. How much is owing to the fund by individuals, and arising out of that, with what success is the fund collected?

My understanding is that while considerable sums are owing, the tendency is to fail in collection of the accounts, or to have considerable difficulty in doing so, at least. I suppose you take a regular civil action in any of the levels of the courts, depending upon the jurisdiction, and seek to use the regular means of collecting. I am just wondering if the fund might not consider adopting rather a more arbitrary power of collection, such as the federal government has on their income tax procedures. After all, this is a charge on the treasury, and the people in question have the wherewithal, and there is no reason why they should not contribute, thereby alleviating the costs of this plan. Because of the difficulties of installing it, of the recruitment of the necessary task force, I dare say that at this stage you may be encountering some difficulties in that regard. Where better are we going to initiate a scheme for a just society, which even the Conservatives are interested in doing, if not in the realm of justice itself?

Hon. Mr. Wishart: We have done it.

Mr. Lawlor: It is also the Conservatives arguing in this particular area. I would think that the two keystones of the plan—and perhaps the Attorney General would agree with me—the two keystones at least in this stage of the operation, are firstly the area directors. Terribly important is the quality of men there, and the quantity of stimulation and encouragement that they can give to their people in the 46 different areas in which this plan is operative. The second major focal point of the plan is the duty counsel which, if it falls down or weakens or fails in any respect, will send the plan completely awry.

Now, the duty counsel business bothers me a little bit. Being a denizen largely of this House now, I have not seen a great deal of its operation, but in the past couple of months I have been in court of couple of times, and it bothers me a little that on two of those occasions, duty counsel were not present. This was in the Etobicoke magistrate's court, and on one occasion he seemed to be missing. I wanted to speak to him about something, and on the second occasion he turned up rather late.

I trust that they are taking it with due seriousness, that while the benefits compared to what one might earn otherwise are not great, they are not out of proportion. As a matter of fact, it is a godsend to a good many lawyers that I know and they are doing better now than they have done previously.

Under this particular head, some benefits are accruing to the province out of this duty counsel work. We are training finally and at long last a criminal bar of younger members who have taken a decisive and direct interest in this. In the past we had a kind of—I do not want to be too harsh about this—a kind of sleazy effort, at least in its lower ranks, and not among the top brass of the criminal field, the first rate people. But then the lower dimension of that bar was very questionable.

I do not say that they were actually ambulance-chasers, but they hung around the cells, some of them trying to pick up a client and an odd $50. They did their business out of their back pocket as they said,

and there was a considerable number of them.

Now, they are all bright young men, willing to take on this responsibility and handle 20 or 30 cases per day. Certainly they become well acquainted with the procedures and are at ease in handling a diversity of cases and giving advice right from the word go.

The next thing that is of benefit to the plan which should be pointed out is that it does have a considerable effect in counteracting recidivism, because they are given advice and not allowed in the first instance to go immediately before the magistrate or the courts and plead guilty, although they may do so after consultation through duty counsel, and when they feel that there is someone who is taking an interest that their rights are not left to the four winds. This is, I suggest, establishing a mentality where at least first offenders are given enormous benefits.

Arising out of that, I understand that the rate of acquittals and withdrawals of charges by the Crown has gone up. I do not know whether it is considerable or not. I notice that in the report of the New York State plan that a remarkable rate, 60 per cent convictions and 40 per cent acquittals in 1964 resulted. I would think that our rate would be nowhere near comparable. I do not know quite why.

Maybe it is because they lay charges more off-handedly over there. Whatever the reason, I would like to know if they have any figures for us as to what effect the operation of duty counsels actually is having upon at least the operation of the magistrates' courts, which again as far as the average citizen is concerned, is 95 per cent of the courts of the province.

The work of the area committees, these good people serving without charge, some of them being lay people, which is all to the good, and completely in line with the newer lights that we are trying to turn on in the administration of justice in the province. I think that honourable mention ought to be made of such area committees, who I understand, are working and attending a number of meetings of the groups coming into Toronto here. Some of them are working very long hours, and take a great deal of time off and have to travel, sometimes at personal cost and expense. They are quite prepared to do that. From that point of view I think that the thing is standing up well.

Another question that I would like to direct in no invidious spirit is that I understand that there are about 3,000 registered members of the Ontario bar presently in the plan, and when I look at the legal guide for the city of Toronto, there is presently practising around 3,217 lawyers in Toronto. Now, for many many reasons, such as being tied up in corporations, and having a very specialistic type of work to do, some of these would not participate. I wonder what percentage of total lawyers in the province really do participate and have offered their services under the plan?

I think that it would be in order to mention certain statistics. At the end of the first full year of operation, on March 31, there were 54,760 applicants to the plan and 67,204 people were represented by duty counsel of one kind or another. I would take it that that would include civil duty counsel, as well as the criminal duty counsel in the magistrates' courts every morning. I have no figure before me, and I would like one if I could, of the numbers that were rejected out of the total number of applicants of 54,000. Fifty-five per cent of the certificates issued were for civil matters and 45 per cent were for criminal matters. Out of this 14 per cent, or 5,288 people, made partial contributions into the plan in the province.

The amazing figure, or perhaps it should not strike us as too great considering the general problem, and it may be an index to the general economic health of the province for all our boasting on occasion, is that 86 per cent of the people under that plan were unable to contribute towards the costs whatsoever. That sort of figure sort of shakes you over against the affluence that is supposed to exist.

It either proves that those who are non-affluent are the ones most in trouble, which is I suppose up to a point is the truth of the matter, but I notice that in the New York scheme, sir, the figure was considerably lower, that is in 1964 at least. It was around 65 per cent.

The other area in which great benefits are accruing to the plan and I do not speak in any way adverse to my friend over here, is to the family courts. Perhaps not so much on the juvenile level, although I think that even they are accruing great benefits, but there are actual substantial savings to the province by the utilization of counsel, particularly in the family, or adult section of the court.

As was pointed out by Lawson, they have been able to locate numerous husbands and finally got the delinquent fellows paying. That has taken a load off the welfare costs of the province.

This apparently has had some import and is of some benefit. So the plan to some extent, I suppose no one could really estimate it, helps to pay for itself. In other words, there are benefits coming back into the Treasury of this province out of the indirect benefits out of the operation of this plan as a whole.

Now, just one final point; the basis upon which the area director accepts or rejects applicants to the plan. There was some talk at the initiation, I remember of questioning not only repeaters coming under the plan—bear with me. What I am after is under section 13, I think, of the Act, where there is discretionary powers over against section 12 where anyone under an indictable offence punishable by imprisonment is entitled to the use of the plan.

The subsequent section says something about it being discretionary as to whether or not under summary conviction offences that in non-indictable offences, where no punishment of imprisonment might be involved, he has a discretion. Does he use that discretion adversely to your knowledge in any problems to reject certain applicants from the benefits of the plan?

Mr. Singer: You have lulled the member for Riverdale (Mr. J. Renwick) to sleep.

Hon. Mr. Wishart: Do not fool yourself, he is not asleep.

Mr. Lawlor: Well, as long as the member for Downsview is still awake, I suppose we can proceed.

I think that pretty well covers the ground for the moment, Mr. Chairman, as to the operations of this plan.

Mr. Chairman: Does the Minister want to reply to the member for Lakeshore at this time?

Hon. Mr. Wishart: Mr. Chairman, I think I could answer a number of the enquiries. The first question that the hon. member asked was some information as to what amounts had been collected from persons receiving the benefits of legal aid. Client contributions collected have amounted to $107,166. There is a balance of commitments outstanding owing to the fund, of $508,088. Now, that is the assessment over an 11-month period ending February 29 this year.

I would point out, in presenting those figures, that many of those accounts, the bulk of them, would come in during the last months of the plan's operation because the first period of the plan was taken up with the presentation of cases, the hearing of charges and so on. The assessment of costs, the solicitors' accounts and so on have been coming in but a great portion of those figures is late, so even of the outstanding amount, there has not been much time yet to collect.

Perhaps I might take a moment here, Mr. Chairman to point out that under The Legal Aid Act, it is required in section 9: "There shall be an advisory committee on legal aid" and then it sets out the persons who shall form that committee, comprised of a judge of the high court, a judge of a county or district court, a magistrate, two members of the bar of Ontario, a person holding a responsible position in the field of public welfare and such other persons as the Attorney General may appoint.

And then it sets forth their terms of office and requires, in subsection 3 of section 9: "The committee shall report at least once in every year to the Attorney General (a) on the operation of the legal aid plan and (b) on the annual report of the law society to the Attorney General", mentioned in section 10. And section 10 goes on to require the law society to make a report: "The law society shall make a report annually to the Attorney General for the 12 months ending on the 31st day of March of the year in which the report is made", and specifies the particulars which shall be set forth in that report.

Due to the fact that the plan has been operating just now for over a year, it has just completed its first year of operation and I have not received a report from the law society. It has taken some time in the past months to name that committee and I think we have selected persons where we have some discretion and I would like to give them to the House: The Chairman, who would be appointed under section 9, that would be a judge of the high court is the hon. Mr. Justice Brooke, as chairman of the committee. The judge of a county or district court is our Judge Willmot, who is the chief judge of the county and district court. And the magistrate under subsection (c) is Magistrate Johnson Roberts. Then we

selected members of the bar, a Mr. George Wallace, QC, of North Bay, and Mr. Patrick S. Fitzgerald of Sault Ste. Marie.

Mr. E. W. Sopha (Sudbury): Both Conservatives. Any Liberals on that committee?

Hon. Mr. Wishart: Mr. Francis Wigle of Hamilton, a person holding a responsible position in the field of public welfare; Professor Hendry, of the social services department of the University of Toronto; and the one other person is Mr. Elliott Stedelbauer of Toronto. We appointed him, and if I were to classify him, I would say he is a citizen who has given much of his time to the public service — a capable, highly regarded and highly respected individual.

Mr. Sopha: Who is that chap Fitzgerald?

Hon. Mr. Wishart: He is from Sault Ste. Marie.

Mr. Sopha: You show a great preferment for your colleagues from Sault Ste. Marie.

Hon. Mr. Wishart: Can the member name others?

Mr. Sopha: Well, you certainly drop these QC's around in Sault Ste. Marie.

Hon. Mr. Wishart: Now, name another.

Mr. Sopha: Well do you not?

Hon. Mr. Wishart: No!

Mr. Sopha: You drop the QC's around pretty liberally in your home town.

Hon. Mr. Wishart: Not any more than anywhere else.

Mr. Sopha: I am only saying you have a great preferment for your own colleagues.

Hon. Mr. Wishart: I know them very well, of course.

Mr. Sopha: You do not know any in Sudbury.

Hon. Mr. Wishart: They all have them there.

Mr. Sopha: On the contrary there are several Conservatives eligible and waiting.

Hon. Mr. Wishart: While I enjoy this, Mr. Chairman, it is a bit irrelevant to this discussion.

Mr. Sopha: It is interesting, though.

Hon. Mr. Wishart: I agree with the hon. member for Lakeshore that the legal aid director is, perhaps, the most important functionary in the whole scheme, and I think it is fair to note that in their appointment, without exception across the province, every district and every county, we left that in large measure, I think almost in entire measure to the consensus of the local bar.

In many of those cases they had been carrying on a form of legal aid, imperfect as it was, and those persons who had shown interest and activity in the field of legal aid generally became those persons who were appointed as legal aid directors. But the nominations came, may I say, without any political suggestion whatever, from the local bar. And I think this was a good thing. Likewise, I think that holds for the sentiments and attitude extended down through the scheme to the appointment of duty counsel, and so on.

I know that the legal aid plan has some imperfections. It was a subject of study, as I think members of the legal profession in the House are particularly aware. It was the subject of two panel discussions, I believe, at the mid-winter meeting of the Ontario bar, and they were very helpful and illuminating, and gave us some direction there. We have the benefit of the magistrates' opinions as they see it operating before them and of judges where cases have come up for appeal.

I think we will be able to achieve some improvements, but when we speak of the cost, I can recall that there were speculations and even estimates by some members of the public, members of the bar association, and by the press, that the cost would be $20 million to $25 million per year. Of course, I tried to indicate that they were most unrealistic and I am glad to be able to stand here and say that they have been.

The costs are not really out of line for the great social justice that is being afforded by this plan, and while I have just said that there were no politics involved in the establishment of this plan, since the hon. member for Lakeshore mentioned the just society, may I just say that at least, rather than talking about it, we have done one of the things which goes a long way towards establishing a just society. This is something achieved, not just suggested or spoken about.

I think the hon. member asked a question about the percentage of lawyers who are taking part. I do not have any figure that would be accurate. I can only say that it is very

large. It comprises not just the majority but most of the members of the Ontario bar have originally indicated their willingness to take part, and have done so. I could, perhaps, find out from Mr. Lawson something close to the percentage but I do not have it to hand.

I am not sure what other question the hon. member wanted me to answer at this time.

Mr. Lawlor: Only the other one which was mentioned by the member for Sarnia regarding the business of the basis in which his discretion is used in rejecting people from legal aid. My understanding is that no one is rejected at the present time whether they are repeaters, or whether, under the summary convictions sections as to what kind of a record they have or anything like that, except for pure monetary reasons.

Hon. Mr. Wishart: As long as they come within the terms of the Act, they are eligible to obtain legal aid. Now, I think this is something I could suggest is being studied, being looked at. As I said we have had a year of operation, I think a good year. I am not suggesting for a moment the plan is perfect. I think there are places where we can improve it, perhaps tighten it up in some places, enlarge it in others; but as long as a person comes under the terms of the Act he qualifies for legal aid, yes.

Mr. Lawlor: Mr. Chairman, just one point that arises. There is some talk too about requiring people to take statutory declarations as to their earning power. Have you given consideration to that? Personally I am "agin it" because I think the sections of your regulations are stringent enough with respect to fraud in the matter, but it is mooted in the profession that this might be an added curb upon people making application who know they are not qualified. I know there has been at least one case that has been proven.

Hon. Mr. Wishart: I have heard this proposal. I would say it has not been proposed to us. I have heard of it. I have heard of discussion about it from the law society, and I should not be surprised if some day it is placed on whatever committee may be studying the matter, or considered by those who are directing legal aid, and at that time I think it ought to receive very thorough study. At the moment my feelings are somewhat like the hon. member for Lakeshore's, but I think if we were to find that there was deception or fraud being practised on those who are trying to administer this plan, and that the taking of statutory declaration, a sworn statement might help to reduce or prevent, people from hiding assets, or failing to disclose information, or giving deceitful answers, then I think it might have some merit. But we have not had that proposed to us yet. It might come forward soon.

Mr. Lawlor: One further matter, Mr. Chairman, then I will be finished. I did suggest, and I would like to hear your comments, if you care to, sir, touching the business of having a higher enforcement procedure in collections. Maybe it has not been tested thoroughly, but as I suggested, you know how effective the income tax is in collecting.

Hon. Mr. Wishart: Yes, this has been mentioned, suggested, it has not been proposed. I would just like to say that as we see how our success goes towards the collection of accounts, we may find it possible or necessary perhaps to take steps to bring about more stringent means of collection. At the moment that is not proposed.

Mr. Sopha: Well, may we hear from the Attorney General whether it is the law society that has the responsibility of collecting the moneys?

Hon. Mr. Wishart: It is the whole plan that is under the law society.

Mr. Sopha: I see. Well, sir, the Premier (Mr. Robarts) earlier this year—I believe it was in the early days of February—went down to address the mid-winter meeting of the Ontario section of the Canadian bar association, and the Premier at that time indicated some concern on his own part about the cost of the plan. I think that phrase dropped here today "raising an eyebrow" emanated from the Premier himself about the cost.

I do not suppose the Premier knew or had any intimate knowledge at all of the operation of the plan. Unlike some of us he has not the time to participate in the plan, and probably he was only repeating hearsay that had been told him by the Attorney General or some of the senior law officers.

Hon. Mr. Wishart: I cannot speak for the Prime Minister.

Mr. Sopha: I did not invite a speech from you right now.

Hon. Mr. Wishart: I am not going to give a speech, but you make a statement that he was told this by me. Mr. Chairman, I think, although I cannot speak for the Prime Minister, it was just before the meeting of that

mid-winter section of the Ontario bar that some of the leading press and media of this city and out across the province, were speculating that this bill, this plan, which had just been well under way, was going to cost the province $20 million to $25 million. Well, that was naturally enough to make any of us say that is a situation we want to cock an eye at, not only that, we will examine it very carefully. My own reaction was from my knowledge it was not going to cost anything like that.

Mr. Sopha: Well, I am rather disillusioned to hear from the Attorney General, if I comprehend him correctly, that the Premier of the province adverts to matters of public concern from what he reads in the press. I take it that is what the Attorney General meant to imply?

Hon. Mr. Wishart: No.

Mr. Sopha: That he had read in the press that the plan—though the press is usually correct, especialy the Toronto press, I hoped the Premier had more factual information than that. Anyway, I have not got a copy of the speech, but I remember it very well. The Premier went down to tell the lawyers that the plan was costing too much.

Mr. Singer: Yes he did. I remember, I was there.

Mr. Sopha: He dropped a rather broad hint that unless the cost of it came down—I do think he said this—that unless the cost was constrained within narrower limits, the government of Ontario would have to take steps—

Mr. Singer: That is exactly what he said.

Mr. Sopha: —in order to restrict it.

Mr. Singer: And he was told off the following day by the treasurer of the law society, Mr. Arnup.

Mr. Sopha: A very articulate and able man; an excellent lawyer. And Mr. Arnup would be able to tell him in no uncertain terms. However, I want to point out one illustration of an example of why I think the plan costs a good deal more than it should, and I recite the following facts.

Two separate individuals, both bearing legal aid certificates, elect trial by a judge alone. I am glad the Premier is returning to his seat because he demonstrated some expertise in this field. These two individuals, both charged with indictable offences, elected trial by judge alone. For reasons better known to the Crown than to anyone else—that is to the Attorney General, servants and agents—the trials do not take place for a year—a year after they are committed for trial. They get the certificate at the very earliest stages of the legal aid system.

A year later in the spring of this year they are tried. One individual, during the intervening year having been on bail, had removed himself to Resolute Bay or some place up in the Northwest Territories where he worked at very high wages for a construction company. His wife taught school during that year. They had no children.

A year later, as I say, still bearing the legal aid certificate—it is in the file of the lawyer—he returns for his trial. An enquiry is directed to him. "Have you paid the legal aid?" "No, I have not. Nobody asked me to pay them." "Well you have been getting an income," the conversation goes. "You have been getting an income in the intervening year. You tell me your wife is working." "Well, nobody asked me and I just did not enquire."

The result, the individual is charged with an indictable offence of which he may or may not have been guilty. Let me assume he was guilty of it. That is not an unfair assumption. I have named the individual. So he can break the law. He can work and he can have a free lawyer.

Now, there has got to be something wrong with a system like that. The other individual, again charged with an indictable offence, he comes from Oshawa. During the intervening year he works in Toronto. He arrives on the day of his trial with his father, a man who is in turn employed, owns his own home in Oshawa and the same enquiry is directed to him: "Have you paid the legal aid?" "No, I have not, nobody asked me to do so."

Well the simple solution must be that when a long period elapses like this between committal for trial and the trial, somebody in the legal aid system might suggest to these individuals that they defray the cost otherwise, they are getting a completely free ride out of the system, and surely, that is not intended.

I am not talking about a means test. I am not talking about a needs test. I am not talking about any kind of test at all. All I am advocating is that the machinery be elaborate enough to include some type of clerical staff where a letter might go out to the holder of the certificate some time along the line to ask if the economic circumstances have changed in the meantime and whether they

can contribute to the defrayment of the expense of the certificate.

Maybe the responsibility ought to impinge upon the lawyer. That might be where it ought to be, that the lawyer—well my friend the hon. member for Lakeshore says the obligation is theirs by statutes. If that is so, and I have no reason to disagree, then I point to the lack of any communication from the director or anybody else in the system. There is no communication to the lawyer, telling him to keep check on the holder of the certificate in order to make a return or to collect some money from him. The lawyer would not object in reviewing the circumstances of the applicant, the certificate holder. He would not object to saying to him, "Can you put up some money?" and the lawyer in turn, could then send that on to the legal aid people in payment of it.

But as I see it, there is no system at all in respect of that, and surely the system is not meant to provide free legal services helter-skelter to any person who happens to qualify at a particular time for his certificate and, having the magic certificate, from then on he gets a free ride. What I am advocating, of course, is entirely different from *ex post facto* collection of the amounts that have been expended. That is a different thing entirely, and the Attorney General will have to set up, in that regard, some kind of a collection system to attempt to recover a part of those amounts.

The government has considerable experience in this because for years they have been collecting money owing to the motor vehicle fund and the unsatisfied judgment fund. In that regard, of course, they always had the right to suspend the driver's licence until the person paid. I do not know in the case of the criminal what you would suspend or what coercion could be used to stimulate him into paying the cost of legal services that the state has provided.

Now then, the other aspect that I have encountered about this is, I suppose, not properly attributable to this department. At the other end of the system it just seems to me that on occasion certificates go to some very strange people; very strange people from the most cursory interview. You wonder how they got the certificate, and you wonder just what form of screening process is exercised by the director of legal aid. For example, it is hard to understand how an individual can come in with a certificate giving him the right to counsel to defend a charge of impaired driving when he owns the car that he was driving. He owns that car you find upon enquiry. You look at the certificate and say, "Whose car were you driving?" "My own." Of course, the car is probably financed to the hilt but, by George, it is hard to understand how a certificate could be issued in that case. Is it an unreasonable observation to make that, if a fellow can drive a car and get himself into the position where he comes under the purview of suspicion of the state in respect of his ability to drive it, that individual, when confronted with the necessity, cannot also afford to hire a lawyer to put his case before the appropriate magistrate?

Mr. Lawlor: Mr. Chairman, on a point of order; the terms upon which the certificates are issued are outside the purview of this department completely. It is the duty of the Cabinet Minister in charge of Social and Family Services. We have discussed that previously.

Mr. Sopha: That is what I already said.

Mr. G. Ben (Humber): That is not a point of order, it is an argument.

Mr. Lawlor: It is out of order.

Mr. Sopha: A point of order is becoming a disease with my friend from Lakeshore. He was bitten by a point of order.

Mr. Lawlor: May I have a ruling, Mr. Chairman, as to whether he is in order or not, please?

Mr. Sopha: His mother was frightened by a point of order.

Mr. Lawlor: You are always out of order and using the time of the House wastefully. You should not be allowed to speak.

Mr. J. H. White (London South): You are always out of order, I agree to that.

Mr. Sopha: Well, yes, he is right. Yes, by George, he is right. By John White he is right.

Mr. Lawlor: Well, you come on down—

Mr Sopha: The issuer of the certificate, of course, is the director of legal aid and notwithstanding that enquiries are carried on—

Mr. Lawlor: Under the advice of the welfare offices.

Mr. Sopha: Oh no, the director of legal aid is the final determinant. There is an

appeal from him but he determines finally, subject to appeal, whether the certificate will issue; and he is not beholden to The Department of Social and Family Services in respect of it. They are adjunct and they assist him in it.

Mr. Singer: One would have thought the member for Lakeshore would know that.

Mr. Sopha: You would think he would have known that.

Mr. Singer: I would have thought so.

Mr. Sopha: But, like the first Attorney General, he talked when he should be listening.

Mr. White: You have got to be out of order.

Mr. Lawlor: The usual skinflint technicality.

Mr. Chairman: Order.

Mr. Sopha: It is unfortunate. It is unfortunate when you try to draw serious attention to what I conceive to be defects in this plan—it is not perfect. We want to improve it. Conjointly, the bar and, of course, the Attorney General and everyone else in the administration wants to improve this system to make it work as efficiently and economically as possible for the benefit of the taxpayers. And I draw these things to the Minister's attention, but I emphasize that there must be introduced, at the earliest time, some form of system whereby a periodic review is made of the ability to pay, and the litigant, whether criminal or civil litigant, he must, if he is able to pay for legal advice assistance, he must then re-transfer the burden from society unto himself. And I am quite sure some study within the department, of this aspect of the problem can bring about a reform that will save us a good deal of money.

Hon. Mr. Wishart: Mr. Chairman, I wonder —I was about to rise when the hon. member for Sudbury presented those two cases which he recited, and say that I thought it was a great responsibility on the lawyer, the member of the legal profession acting for him, who is using that certificate to get his remuneration in whole or in part. I am not sure whether the hon. member—I presume he has acted for persons?

Mr. Sopha: On many occasions.

Hon. Mr. Wishart: And in this certificate form 8 as set forth in the Act, subject to regulations, the certificate is spelled out at length. It is set forth in the Act. It has eight paragraphs, and number 6 reads this way:

> Notwithstanding the issue of this certificate, if at any time it appears to the solicitor accepting it that the client may not be entitled to the legal aid, by reason of section 39, of 64 of the regulations or otherwise, he shall report to the area director before instituting or continuing with proceedings.

Not only is there a moral, ethical obligation on the solicitor, but it is right in the Act in the sense that it is in the certificate laid down in the regulation that the solicitor has an obligation. He shall report the changed circumstances to the area director. Now, I am sure that the remarks of the hon. member for Sudbury are important, and I know that, as they appear in *Hansard*, I am sure they will come to the attention of the people who administer legal aid, and we shall take occasion to discuss these situations. I do not for a moment stand here and say there are no situations that could not be improved and tightened up. This is our object, and as the plan progresses with our committees and our studies, we are doing that.

Could I take a moment, Mr. Chairman?

Mr. Sopha: Before you go on, may I say this to make the record more complete? I reported both to the local director. I did one thing further: I asked the individuals for the money, so that I could send it to the local director. They both said they did not have any, but on persistence one of the fathers of the boys, who was there, in the spirit of good citizenship undertook to pay. Then I asked the local director how he did that, and he said, "You send him a copy of the bill that the accounts officer gets, and if he wants to send in the money he may do so", and the father did.

Hon. Mr. Wishart: Well, I commend the hon. member, if I may do so. The point I make is that there is an obligation on every member of the profession to see that this plan works. I think generally they are doing that, and as we are surveying that plan—and surveying it, may I say, with the assistance of computerized information—we will find ourselves able to determine where it is failing and by whom it is failing, if it fails.

The instance of the car, the man who comes up with a charge of impaired driving, and because he owned his motor vehicle—I do not think that perhaps I am called upon to judge that. There might be situations where he owned a car and it is mortgaged. Even if it were not, is he supposed to sell the car if he has not any income sufficient to meet his ordinary expenses?

Mr. Sopha: Either stop drinking or stop driving.

Hon. Mr. Wishart: Well, yes, I agree with that. But that is not the way the hon. member was arguing about those chaps who come up before the magistrate.

Mr. White: I think he hates the poor people.

Hon. Mr. Wishart: Could I say that I have looked up the remarks that were made by the Prime Minister to the mid-winter meeting of the Ontario bar, on February 2, and this is what he said on that occasion:

> It is incumbent upon both the government and the legal profession, in a forthright expression of co-operation and partnership, to ensure that costs are held to reasonable levels, otherwise one of the great social advances of our time will collapse. The attitude and conduct of the profession is extremely important.
>
> Great care must be taken to ensure that legal aid will not be regarded as legal care in which everyone has a right and entitlement to subsidize his counsel. Legal aid is designed to help those who need to be helped. This must be borne in mind by the government, the legal profession and the people of Ontario, if the legal aid plan is to enjoy a long and successful future.

Mr. Singer: Have you got Mr. Arnup's speech there?

Hon. Mr. Wishart: Surely there is nothing wrong with that attitude. Certainly we must look at it as a government and as a profession to make sure it works, and—

Mr. Singer: Mr. Arnup was most critical.

Hon. Mr. Wishart: Well, I know what Mr. Arnup says.

Mr. Singer: He was concerned very much about what the Premier said about the future of the legal aid plan. You were not there, you do not know.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): How do you know I was not there?

Mr. Singer: Because I was there and I did not see you, and if you had been there I would have seen you.

Hon. Mr. Wishart: I could reply to that, but I will not.

Mr. Sopha: And you would have seen him.

Mr. Chairman: Anything further on the office of the Deputy Attorney General? The member for High Park on the Deputy Attorney General?

Mr. M. Shulman (High Park): Yes, just one question on legal aid. I have had very little experience with legal aid until a few weeks ago, but I did have one experience and I would like to ask the Attorney General if he can assist me. The case I brought up yesterday was a chap called Ferguson, who was charged with breaking and entering down in Belleville. He brought the letter, of which I sent a copy to the Attorney General, to me and I was not really impressed with the legal help he was receiving.

I suggested to him he might be better to get another lawyer, so I sent him down to legal aid to have his certificate or stamp or whatever it is they give him changed so that he could get the help of a Toronto lawyer. When he went down, he was told that he could not change for a Toronto lawyer. If he wished to change, he could do so but it would have to be another lawyer from Belleville. Now is that a ruling of legal aid, or was it some restriction as to the location from which one must get one's lawyer?

Hon. Mr. Wishart: I think that is generally the rule and I think there is reason for that. To state it generally, the person requiring legal assistance is not limited as to his choice of counsel, but I think the hon. member will surely realize that it could hardly be expected of the legal aid plan, which is using public funds, to provide counsel to allow someone in Belleville to select counsel in Ottawa or Toronto as a general rule.

If this were the case, I think the plan would become unmanageable and unworkable. Generally, the rule is as is the rule for those of us who have to obtain counsel at our own expense—that we get counsel in our own locality. To say, as a rule, that a person living in Sudbury could select counsel in Toronto would be tremendously expensive and would

make the plan unworkable—so generally this is the rule. There is a wide choice of counsel in most localities and to that rule we adhere. There is nothing in the Act to that effect, but in the working of the plan, it is a practical consideration.

Mr. Shulman: I fail to see why there there would be further expense. Does not the legal aid pay so much per day to a lawyer? Is that not how it works?

Mr. D. M. De Monte (Dovercourt): Why do you not find out?

Mr. Singer: If a doctor from Toronto treated a patient in North Bay, it would be more expensive than a North Bay doctor.

Hon. Mr. Wishart: I do not think I need expand on that. The lawyer would be travelling from his own place of residence to a place some distance away and this is going to be more expensive.

Mr. Shulman: Mr. Attorney General, I hate to press you on this, but it is not going to be more expensive for the legal aid plan. If I am able to supply this man with a lawyer in Toronto who is willing to travel up, this is not going to cost legal aid any more. I presume you are paying so much for the case.

Mr. Singer: Of course it is.

Mr. Shulman: No, it is not. It is going to cost the lawyer some time, but he is not being paid for his travelling time, and there is no reason in the world why this man should not be able to get the benefit of a lawyer in Timbuctoo if that lawyer is willing to come there. Now it is not going to cost any more; it is not going to be any more unmanageable and I would like to suggest to the Attorney General that there should be a free choice.

Obviously, very few lawyers are going to be willing to do the travelling, but there are not going to be very many cases where it will be necessary. In the particular case which I am thinking of, and which I have already drawn to the Attorney General's attention, it seemed advisable not to have another lawyer from that particular area where there is a certain limitation of choice but to have someone who had more experience in this difficult type of problem go out there.

The particular lawyer involved was prepared to travel up at his own expense and I fail to see how it could cost the legal aid plan an extra penny. I think this is a wrong premise that you are working under.

Hon. Mr. Wishart: Well, Mr. Chairman, I am not going to spend much more time on this. If the hon. member fails to see, I do not think I can make it more apparent. The legal aid director in his own community has a panel of the lawyers who are prepared to act in that area, and from those he is expected to choose his counsel. If the hon. member cannot realize that there would be additional expense involved in going outside or going distances away to get counsel, I do not think I can expand upon it.

All I can say is, in the practical working of the plan, that is the way it works; he would be expected to get a lawyer of the local panel. Just before I finish, in section 54 of The Legal Aid Act, or the regulations within the Act is set forth:

> Where it appears to an area director that the legal aid applied for can be rendered more conveniently and economically by a solicitor in another area, or for any other reason he deems proper, he may send to the area director of the other area the application, the welfare officer's report, the understanding of the applicant to pay the contribution, if any, in accordance with the report, and if the legal aid applied for comes within section 13 of the Act, advise him that he has exercised his discretion in the applicant's favour.

Now that is a provision which permits one area director to say, "You may get counsel from another area." He can refer the matter to the other area director, who exercises his discretion.

But generally, I think the plan works pretty well in the practical way that there is the local panel, and from that panel you have a wide choice of counsel.

Mr. Chairman: Anything further under legal aid or office of the assistant Deputy Attorney General?

Mr. Shulman: Earlier I asked under what vote the inspector of legal offices should come up. I was told 207, and I just wanted to know under what subdivision this should come under. I do not see the words here anywhere.

Mr. Chairman: What was it?

Mr. Shulman: Inspector of legal offices.

Hon. Mr. Wishart: That would be under this present item, Mr. Chairman. It is an assistant deputy, so he would be in the deputy's branch.

Mr. R. Gisborn (Hamilton East): Mr. Chairman, through you to the Attorney General, to what extent is the legal aid fund being used to provide representation in regards to workmen's compensation claims? Have you any knowledge to the extent it is being used to provide representation in regard to workmen's compensation claims?

Hon. Mr. Wishart: I do not know actually, Mr. Chairman, whether it has been used in providing counsel in workmen's compensation board cases or not. I know some time ago this matter was discussed in a general way with us. We did not make any decision on it, and I am not sure that there have been any requests. I simply cannot answer the hon. member.

I do not think it originally was intended that legal counsel under the legal aid plan would go to various boards, and I do not know of any policy in that direction that has been firmly established. As far as I am aware, we have had no requests.

Mr. Gisborn: I would say to the Attorney General that I recollect I have had two cases brought to my attention where I was under the impression that they have had a lawyer and he was being paid through the legal aid fund. I will check them, but I would ask that the Minister's department would make a check and perhaps let me know at any convenient time as to whether or not the fund is being used in this regard.

Hon. Mr. Wishart: I will undertake to find out and let the member know.

Mr. Chairman: Is there anything further under legal aid?

Mr. Shulman: Yes, one final matter. What is the position of Mr. R. E. Priddle?

Hon. Mr. Wishart: Mr. R. E. Priddle is in the office of the assistant Deputy, the inspector of legal offices, and his functions and duties are particularly concerned with the land titles offices and the registry offices.

Mr. Shulman: I thank the hon. Minister.

The matter to which I am about to refer has to do with this particular office and, strangely enough, the matter of docking of horses' tails. To set the matter in its proper perspective, I would like to quote from the *Globe and Mail* of Friday, November 10, 1967. It is an article by a leading Toronto columnist—her name is Zena Cherry. She is referring to docking of horses' tails:

> A couple of years ago I wrote about this excruciatingly cruel practice, and hundreds protested to Prime Minister Lester Pearson. It did about as much good as giving a fish a bath.
>
> Mr. Pearson answered the letters and said he was referring the matter to the Minister of Agriculture. The Minister of Agriculture wrote to say it was in the hands of the provincial government. Premier John Robarts wrote to say he was referring the matter to the Attorney General. The Attorney General wrote:
>
> "The matter of docking horses' tails is not one that is specifically covered by Ontario legislation."
>
> But in the letter to one reader there was enclosed by mistake, I guess, an inter-office memo to the Attorney General from R. E. Priddle, who is assistant inspector of legal offices, and it reads:
>
> "Section 387 of the criminal code deals with cruelty to animals and creates an offence punishable on summary conviction. I thought it wiser not to mention this in your reply."
>
> Now how do you like that? The law is there, it should be enforced. Canada is the only country in the British Commonwealth that allows the showing of horses with docked tails. All I can say once more is that which was said in 500 B.C. by Aeschylus: "If one condones brutality, one shall suffer brutality."

I would like to ask the Attorney General—we have had a new Attorney General since this last letter was—

Hon. Mr. Wishart: I was going to ask that, that was not in my term, I hope.

Mr. Shulman: This article was written November 10, 1967, which was in the Attorney General's term. But the incident in Mr. Priddle's letter was written to his predecessor, and now that we have a more enlightened Attorney General, I was hoping that he would look into this matter and—

Mr. Singer: Do you agree with that last remark?

Mr. Shulman: —and I would like to have the Attorney General's comment on this particular matter.

Hon. Mr. Wishart: If I had been Attorney General that clipping would not have gotten in the letter.

I can only say to the hon. member I would like to look into that matter. It is all news to me.

Mr. Shulman: You will look into it?

Hon. Mr. Wishart: Yes, I will look into it.

Mr. Chairman: Anything further on the matter of docking horses' tails?

Anything further in connection with the office of the assistant Deputy Attorney General?

The Supreme Court of Ontario.

Mr. Singer: Mr. Chairman, I wonder if the Attorney General would have available for us statistics on the work load of the Supreme Court? I did not pose my series of questions this year in the hope that the Attorney General, being aware of the sort of questions we might ask, would have this information.

How many cases came before the court in the last year? How many cases are pending? The length of time it takes from the issue of a writ to get to trial and so on?

Hon. Mr. Wishart: Mr. Chairman, I have the information here, but it is a bit difficult to relate from the statistical record. I would like to suggest to the hon. member that if he has some other comments he would proceed to make them and give me a moment to put this material in a form that I can give it as intelligibly as I read it to the House. I would be glad to give him full information.

Mr. Singer: Well, anticipating what the Attorney General's answer might be and particularly in view of the fact that we have the new Divorce Act which came into force on July 2, which is going to add very substantially to the burden of the justices of the Supreme Court, and recognizing as well that as of July 2 the Supreme Court of Ontario embarked upon, what is called the long vacation, I am going to make my annual plea for some system whereby we can make better use of our court facilities 12 months of the year.

I recognize that the task of being a judge of the Supreme Court is an onerous one, and that these gentlemen have to be given long vacation periods at reasonable intervals. They have to be given time to catch up with their studies, to ponder on their reserved decisions and that sort of thing, but it would seem to me that the cause of justice in this province would be well served, if our courts functioned 12 months of the year. I think with the magnificent buildings that we are building—the Toronto courthouse is certainly an outstanding example—and the magnificent new buildings that we will undoubtedly be building in places like London and others and since the province has taken over the cost of the administration of justice, once all these buildings are functioning, it would only be reasonable and logical that they function around the clock and through the whole of the year. Because it is a trite saying, Mr. Chairman, that justice delayed is justice denied. Certainly it has been my experience at all levels of the court system here in the province of Ontario, that by and large in the Supreme Court in this province, in the county court and the magistrates' courts that the workload is too large, that often cases have to sit on the list an unreasonable length of time before they are dealt with, and at the magistrate's court level —and we will deal with that a little later on today—the volume of work an individual magistrate has to deal with, denies to him the opportunity to properly and fully consider all the ramifications that are involved in each case.

All these things put together, Mr. Chairman, would indicate to me, as I have said in other years, that it makes reasonable sense that these courts should operate on a 12-month basis. It may well be that we would need additional judges so they could be put on a rota basis, that while judge A is going on his vacation judge B will sit in his place and it may be that the answer is to have a few more, or several more judges. It seems to me that we are running an inefficient system that is based on the old, old tradition that courts and lawyers—the whole judicial process stopped at the end of June, is picked up again after Labour Day, stopped again for a week or two at Christmastime and a few days at Eastertime and if people were delayed it was just too bad.

I think that by now we should begin to be moving away from that and be able to operate our courts on a more regular basis and to deal with the volume of work that is before them.

Hon. Mr. Wishart: Mr. Chairman, perhaps before giving the statistical figures, I might speak generally to what the hon. member has been saying.

I recall that he has raised it before in my estimates. True, it is a traditional thing but I think there is some good reason behind it. At least, the judges presiding in courts need time, I think, from their duties. Their duties are not easy. It is a matter of sitting in judgment. They need time to consider their judg-

ment, to write their judgments. They need time, I think, to keep themselves abreast of the law as it changes and I think the judges need a very substantial time to renew themselves, to prepare themselves, to fit themselves for the onerous duties they carry on.

The legal profession—I think the hon. member, perhaps, has some friends, some eminent gentlemen, I know them—who close their offices, I believe also in July and August—

Mr. Singer: Well, that is their choice—

Hon. Mr. Wishart: What I am saying is this, that it is very difficult to get judges or to get lawyers to take cases in the months of July and August and it is extremely difficult to get the witnesses to attend in those months, for the hearing of cases. This is well known. I do not need to support that with anything more than a statement, that it is most difficult to get the cases in July or August even if you had the judges there to hear them. I grant you there is also a goodly number of cases going through our courts, and whether trying to maintain the courts in July and August could be done with the present number of judges or whether you would need to ask the federal government to appoint additional judges, I do not know. But if these statistics are meaningful at all, I am glad to make them available to the House.

This is the report of the registrar for the 1967 calendar year and it is broken down to various types of cases and totals given.

Writs issued, a total of 18,684. That is almost the same as 1966, which was 18,926. In 1965 there was a greater number, 19,091. Those are broken down into motor vehicle actions, other generally endorsed actions excluding divorce and then divorce action, mortgage foreclosure action and other specially endorsed actions. I could give you the detailed figures. I do not know if reading them here would help—

Mr. Singer: Perhaps if you would table them.

Hon. Mr. Wishart: I will table them, yes. Total writs issued at Toronto in 1967, 8,149. No, I am sorry that was 1965. In 1967, 7,875; and in 1967 elsewhere 10,809. The total which I gave is 18,684.

Jury actions set down for trials in Toronto were 585; elsewhere in the province 669; a total of 1,254.

Non-jury actions including motor vehicle and defended divorce action and other non-jury actions in Toronto set down for trial, 3,154; and the rest of the province, 5,079; a total of 8,233.

I have some additional statistics here which I think I will just table, and I will make copies to the hon. member if he would like them.

Mr. Singer: Yes, I would.

Hon. Mr. Wishart: Perhaps that is the best way to handle it because I think reading them into the record here is not much help to—

Mr. Singer: Mr. Chairman, would the Attorney General agree with me that we are not really getting further ahead, that the backlog is increasing? That it takes quite a long time—even in the most quickly proceeding action—from the date the writ is issued until you are able to get on to trial. The time lag—and we had those statistics two or three years ago—the time lag, rather than decreasing, I would suspect, is increasing, and the backlog of cases is increasing as well. Would I not be correct?

Hon. Mr. Wishart: No, I do not think that is right and I cannot agree with the hon. member. There always, I think it is fair to say, will be a backlog. There will always be some cases and I am not even sure that that would be the best way to have the courts operate without something on the backlog list, as it were, for their attention. If you ever caught up, surely the argument would be the courts have not enough to do.

Mr. Singer: You will never have that worry.

Hon. Mr. Wishart: No. I do not think we will ever have that worry, and I do not think, in the operation of the courts, you will ever be without a backlog. But I recall —and we have discussed this before—that the backlog is not increasing, at least to any appreciable extent, and the extent of time between the setting down of cases and the trial is not increasing. Many of the cases on the list are there because you cannot get the lawyers down to trial.

Mr. Singer: Oh, I know, but that was so when you gave the statistics two years ago.

Hon. Mr. Wishart: And it will always be so, that their lawyers will set them down and adjourn them, and adjourn them, and they will wait and hope for a settlement. They hope to tire somebody out, or the witness is in hospital and it takes a year to get him

there to give evidence. Mr. Justice McRuer, when he was chief justice, was concerned about this problem and he took action.

He said, "I am going to set a day peremptorily and I am going to put these cases on and you be here to have them tried." The result was that they just did not come forward at all; they were disposed of; they never did go to trial, almost without exception. He found that doing that did not clear up a backlog but at least they were not ready to go to trial—it was not a case that the court was not ready to hear them, the cases were not ready to go on. I do not know what the final upshot of that was but I know he did not succeed in disposing of those cases.

Now I agree with the hon. member that we can improve the operation of the courts; perhaps we can get more speedy trials. But it is not all the fault of the courts; it is not the lack of judges. It is largely the attitude of the profession and sometimes the attitude of their clients, their clients' instructions that they want the case delayed. I do not think an Attorney General or a department of government, or even the court system, can do a great deal to change this because a lawyer has the freedom to go into court and say if he has the consent of his opposing counsel, "We would like to put the case over," and this happens time and time again.

Mr. Singer: Well, Mr. Chairman, I think the Attorney General is talking around the subject rather than meeting it head on. When we had the statistics—and they were detailed after a list of very specific questions, these things were all spelled out. We know there are lawyers who are sometimes a little lax in pushing forward. We know there are clients who sometimes are not so anxious to get into court as they first appeared. We know all these things happen but we also know there is a backlog and I know here in Toronto, as a practising lawyer, that it takes and awfully long time to get down to trial no matter how eager you are to get on.

There is just nothing you can do about it. The list is a long one. The Attorney General is not going to convince me, Mr. Chairman, that if the courts were operating 12 months of the year they could not do more work than they get done if they operate 10 months of the year. It just does not make sense. The courts, in effect, are closed down for two months of the year and I would think that in this day and age there must be a better way of doing business. It may involve the appointment of more judges, but if they operated 12 months of the year surely it stands to reason that they would get a lot more work done than they can get done in 10 months of the year.

You talked about lawyers not being anxious to go on to trials in the summer months. We are a very adaptable profession, Mr. Chairman, and if the courts are open in the summer months, there will be lawyers who will go to court in the summer months; and if the trials are there, if the court days are available, those trials will go on. He says it is well known that it would not happen. How can it be well known that it would not happen when it has never been tried? There is the point.

We have never tried opening our courts 12 months of the year, certainly within my memory as a lawyer and a law student, and that goes back, unfortunately, too many years now. It has never been tried, and as I recall, talking to my seniors in law, there always was the long summer vacation, the Christmas vacation and the Easter vacation, so how can the Attorney General say in good conscience that it would not work, and it is well known that it would not work? It seems to me just obvious and logical that it has to work. You have to get more work done if you are open 12 months in the year, rather than if you are open 10 months of the year.

Hon. Mr. Wishart: Well, Mr. Chairman, I am just going to speak briefly. I wonder if the hon. member has ever had a resolution from his colleagues in the bar to the chief justice or to The Department of the Attorney General that we have the courts open 12 months a year? I do not know what attitude might be taken if the bar were to seriously propose this.

Looking at some statistics that I have been examining while the hon. member was speaking, I notice that, for instance, in civil actions on list for trial and the disposition of same, it shows—and I think it is significant—non-jury cases, tried and judgment delivered, in Toronto, 444; settled, 344; struck off the list, 13. Then elsewhere, tried and judgment delivered, 544; settled, 543; struck off the list, 43.

Now when these cases are coming up in that way—these will be motor vehicle accidents, negligence cases of one kind and another—when these cases come up and approximately 50 per cent of them are on the list and are eventually settled, how can you ever say that there would not be a backlog? These cases do not go to trial—50 per cent of

them almost do not go to trial at all, but they just get on there; they carry on for a time and eventually they are settled.

I realize the point the hon. member is making that perhaps you could clear up some of these cases. But the point is that a great number of those cases—you say the judge is available today and they will not be there to be tried; that is not the way they are going to get that case disposed of.

Mr. Singer: Mr. Chairman, the Attorney General, so often when we get him on a point like this, says, "Has the legal profession ever petitioned for this sort of thing?" This brings to mind a very excellent quotation that I think is most apt here and it was said by Alexis de Tocqueville who wrote this:

> Some of the tastes and habits of the aristocracy may be discovered in the character of the lawyers. They participate in the same instinctive love of order and formality and they entertain the same repugnance to the attitudes of the multitude, and the same secret contempt of government of the people. I do not then assert that all members of the legal profession are at all times the friend of order and the opponents of innovation, but merely that most of them are usually so.

I think that is a very appropriate quotation to put before the House at this time, Mr. Chairman, because I think what we have been trying to get at in our criticisms, year after year of The Attorney General's Department is that if he is looking to reform, suddenly to emerge as a ground swell out of the members of his profession who are quite happy to have the courts close for two months in the summer time, it just is not going to come.

But if he is looking to serve the public who are inconvenienced by having to wait a long time before they get on to trial, then he will work out a system whereby the courts are open for 12 months of the year, and the lawyers will adapt themselves, perhaps not happily in many cases, but they will adapt themselves, because if the courts are open and their cases are going to be tried, it is in the lawyers' interest that they will be there to try them.

So all I am suggesting, Mr. Chairman, is that we do not look quite so long and so far for excuses as to why there should not be reform. If necessary, we will pose the same kind of questions that we did two years ago, and in the same detail, and we will engage all the staff of The Attorney General's Department in countless hours of research so that they can be answered. I am sure that the answers to those questions will reveal that the backlog is growing greater and that the time elapse from the issue of a writ until the eventual trial of an action is lengthening.

What I am suggesting, sir, is that there be some innovation, some system whereby we can speed up and modernize the use of the facilities that we have, because as I say again, justice delayed is justice denied, and our system is more and more delaying justice, and if that saying means anything, it is more and more denying justice.

Hon. Mr. Wishart: Mr. Chairman, I am not going to dispute the hon. member's general thesis but I do want to say that to quote de Tocqueville—that quotation, I think, was probably written at least 100 years ago.

Mr. Singer: Yes, but I think it is very apt today.

Hon. Mr. Wishart: No. It was written in a society where the lawyer was the aristocrat. He came from an aristocratic family; he was a wealthy son of the aristocratic family but look around at our society today, the lawyer is no aristocrat.

Mr. Singer: He becomes one very quickly.

Hon. Mr. Wishart: He is of the people.

Mr. Singer: He may not have started as one, but he adapts to the system.

Hon. Mr. Wishart: We have no class. I think most of the lawyers I know have come up from the very common people, as I did myself, and as I think the hon. member did and most of the lawyers in this House. So de Tocqueville's remarks about lawyers being aristocrats do not apply at all today.

Mr. Chairman: The Supreme Court of Ontario. Carried?

Mr. Singer: Mr. Chairman, there is just one point I wish to discuss today about the Supreme Court and county court—the question of bail.

Mr. Chairman: I believe that the matter of bail was discussed previously.

Hon. Mr. Wishart: We discussed that yesterday, Mr. Chairman.

Mr. Chairman: This is the vote on the Supreme Court of Ontario.

Vote agreed to.

Mr. Chairman: The county and division and district courts.

Mr. Singer: Well, the same thing applies to county, district and division courts. I was perhaps going to relate this either to the Supreme Court or the county court, the question of chambers, motions and so on. The same procedure prevails and I have complained about this in previous years. In the daily reports from Osgoode Hall that are published every morning in the *Globe and Mail* at the beginning of July, the usual notice appears that a judge will sit in chambers and in court for two or three days a week and he will deal only with emergency matters. This by and large is the practice in county courts as well, and again it is the plea to have the courts open and serving 12 months in the year, so that not only the trial matters, but the matters that come before the judges in court and in chambers can be dealt with expeditiously and on a full-time basis.

Mr. Chairman: The member for Dovercourt.

Mr. De Monte: Mr. Chairman, I wonder if the Attorney General has ever gone down to some of the division courts that we have in the city of Toronto and in some of the suburbs. I suggest that they are in a pretty poor shape. Some division courts are held on the second floor in a veterans' hall, while on the first floor they serve beverages. I am wondering, since the province has taken over the costs of division courts, whether he is anticipating taking over and improving the facilities of division courts. For that matter, some of the magistrates' courts around the city and in some of the county towns could be improved.

Hon. Mr. Wishart: Mr. Chairman, first of all—and this is not by way of excuse, or anything like that—we have just taken over in southern Ontario outside of the districts, the administration of justice, for which the division courts are one portion, and we have not had an opportunity to do complete assessment of the facilities. I think that the hon. member knows we are attempting to acquire existing facilities and to improve and build others. This is a big, time-consuming, expensive task which we moved to promptly early in the year. Now, I would like to say this about the division courts: This is the court for small claims, where, if I may use the phrase in an undisparaging way, the little people have their cases fought out. I do not think that we are called upon in that court to provide a very palatial accommodation for that type of court.

We go, in other words, where the people may be found with their small disputes. I have practised in the small division courts and gone in the upstairs room of the town hall, or a vacant store and I do not think that it cut down on the quality of justice that we got in the small claims court because we had to do with a small court and not a palatial court. The public, I think, are mindful of the fact that they in the end pay for the facility which we provide, and if you are going to provide for the $50 or $150 claim case, some palatial palace of justice, the public is aware that they are going to pay for that facility in the end. And I must say frankly that as we look at our courts, I think that we must have in the Supreme Court, the county court, and magistrates' courts, which will now be provincial judges' courts, a clean, proper adequate space with good facilities free of disturbances.

I do not think that I am going to be led into suggesting that for the division courts, we are going to build new courthouses. I think we will have to find adequate, clean space where a trial can be heard without disturbance, and I think that the public will accept my approach. We have just had a short time to attack this question of courts and administration of justice, and the provision of facilities, which has up to now been the responsibility of the municipalities, is now ours and we are studying it. But, when one thinks back about this and thinks, "Here are the people in the local government providing their own facilities, that was what they considered adequate," should one now be persuaded that because the province of Ontario and the government at that level has now assumed this responsibility, should it say to the people who go to division court, "Oh you need something better than you provided—"

Mr. Bullbrook: But you are going to do that.

Hon. Mr. Wishart: No, I just say, if one should be persuaded to take that action—

Mr. Bullbrook: But you promised us in London.

Hon. Mr. Wishart: We have not had time to do things in London.

Mr. Singer: Who is winning the priority race? I am still betting on London.

Hon. Mr. Wishart: The city of London, when it was its responsibility did nothing. I think that they should have done some-

thing, but that is one of the situations that we are studying.

Mr. De Monte: Mr. Chairman, I am not suggesting that the hon. Attorney General should supply a palatial room for division court; I am merely suggesting that some of the facilities that are being provided are not quite adequate, and I would also suggest, with the greatest of respect, that some of the magistrates' courts are not quite adequate. I think the Attorney General realizes what I mean. He should improve the facilities on the basis that about 90 per cent of our population which appears in any case of litigation that comes up, appears in a division court, and this is the impression that our citizens have of a court room and of the courts. I suggest that there are some division courts that are not fit to be used as such and should be changed but I am not suggesting that he should build a building. I would think that it would be quite reasonable to rent other accommodation that would be better and, perhaps, in some cases, cheaper.

I have a question for the Attorney General: Are the bailiffs in the city of Toronto paid on a retainer, salary, or by each writ they serve or each seizure that they make?

Hon. Mr. Wishart: In Toronto?

Mr. De Monte: In division courts, Mr. Chairman.

Hon. Mr. Wishart: Those bailiffs that serve the division court are on a fee basis depending on the service that they give, the summonses and claims that they serve, and mileage and so on. There is another bailiff, or another definition of bailiff in The Department of Financial and Commercial Affairs; those are the bailiffs that are not concerned with the administration of justice.

Mr. Bullbrook: I wonder if I might ask a question. Is it a condition or precedent that to become a justice of the peace or bailiff you have to have done something for the Conservative Party?

Hon. Mr. Wishart: I never heard of that.

Mr. Bullbrook: Maybe it just pertains to the city of Sarnia, but it certainly pertains there. Everybody who has anything to do with justice, JPs, bailiffs, are all former ward heelers of the Conservative Party. Let me put something else to you—

Interjections by hon. members.

Mr. Bullbrook: Let me put something else to you. One moment; perhaps it is off the vote, but let me get it out. I want to say something to you about queen's counsels. This is an iniquitous thing you know, really. It is just terrible. I practised law with a gentleman, now a justice of the Supreme Court of Ontario. He has done several murder trials and he still was not a QC. Yet some of them are given out—honestly, I have actually seen QCs come in to borrow their gown because they did not want to buy one. They had never been in court and there was no use in wasting the money.

Mr. Chairman: County, district and division courts.

Mr. Sopha: I would like to say something on this. Is it appropriate to say something about queen's counsel?

Mr. Chairman: We are on the county, district and division courts.

Mr. Sopha: Well, my friend raised this and, of course, the relic of the colonial area ought to be abolished entirely. The Attorney General has brought the granting of the order to a fairly low state—

Mr. Chairman: I do not think that this is the place to discuss this—

Mr. Sopha: You said last night that you would be very lenient.

Mr. Chairman: Oh yes, but this is hardly the case which the member raised last night.

Mr. Sopha: Well is there an appropriate vote—

Mr. Chairman: No, there is nothing in connection—

Mr. Sopha: This is a matter within the discretion of the Attorney General.

Mr. Chairman: Not in connection with county, district and division courts.

Mr. Sopha: Well, is there an appropriate place? I am asking most courteously.

Mr. Chairman: I would ask the Attorney General.

Hon. Mr. Wishart: There was an appropriate place. That was the main office.

Mr. Sopha: Well, it is not for the Attorney General to say where we discuss matters.

An hon. member: He was not here then.

Hon. Mr. Wishart: You were not here?

Mr. Sopha: It is not for the Attorney General to say. And it is very strange to see the member for York South, who is capable of such scurrilous language in regard to other members, siding with the government to limit discussion, because all during the discussion he has been doing precisely that.

Mr. D. C. MacDonald (York South): If you would keep in order—

Mr. Chairman: The Chairman can close the discussion, and I would say to the member for Sudbury that there is nothing—

Mr. Sopha: Speaking about not being here, I was not here when the member for York South addressed some very improper remarks about me.

Mr. Chairman: Order, please.

Mr. MacDonald: You are out of order again.

Mr. Sopha: Very improper remarks about me in very scurrilous terms, dishonourable terms, when I was not here which I utterly repudiate, especially that word "racist", that was ascribed to me.

In the many years that I have been associated with the Indian people of this province—

Mr. Chairman: The member is out of order.

Mr. Sopha: —Indian people of this province and have acted for them, tried to assist them, I resent very much to be the object of such vituperation.

Mr. Chairman: Order, please!

Mr. Sopha: I resent very much to be the object of that invidious vituperation from these two.

Mr. Chairman: Order! Order!

County, district and division courts.

Mr. Sopha: Now I ask you, will you not look at the member for York South? I ask you, is there a place that this might be discussed?

Mr. Chairman: There was, under the main office vote.

Mr. Sopha: Well do I infer correctly, because the Attorney General says that that is so, that you are going to abide by his discretion?

An hon. member: Right.

Mr. Chairman: In the absence of any definite indication regarding the awarding of the annual QC designations and, in view of the fact that the Attorney General has indicated that it might possibly have come under the main office vote, the Chairman has no alternative but to rule that it does not come under this vote and is therefore, not debatable.

Mr. Sopha: Point of order!

Mr. Chairman: Point of order?

Mr. Sopha: I want to raise a point of order. I want to say, in regard to this point of order, that I have never been one of those who spring to my feet to in any way limit or inhibit discussion of the freest range in this Legislature.

Last night, when the member for Thunder Bay (Mr. Stokes) very improperly and out of order, raised the subject he did raise under the criminal law division, I rose and directed your attention, Mr. Chairman, to the fact that the whole ambit of administration of justice ought to be covered in vote 207.

You will recall that. And I said that I thought that vote 206 was the proper vote to discuss the personnel in the department—Crown attorneys, director of public prosecutions and the others in the administrative side.

At that time, you said to me that under vote 207 you would permit the freest range of discussion.

Mr. Chairman: In connection with votes 206 and 207.

Mr. Sopha: I am saddened to hear you today now limit the discussion.

Mr. Chairman: I must point out to the member that he was referring to vote 206 and he wanted to know why he could not raise matters that probably came into vote 206 instead of vote 207. The Chairman—

Mr. Sopha: Fine, I can understand the Attorney General's reluctance. I can understand his reluctance—

Mr. Chairman: Without repetition.

Mr. Sopha: —I can understand his reluctance to permit discussion because he has brought this practice to the lowest ebb probably in the history of the province—of granting queen's counsel—I can understand that he does not want it discussed. He has

been very preferential toward his friends and associates in Sault Ste. Marie, but he has not ascribed the honour much more widely than that.

Mr. Chairman: The discussion is entirely out of order. County, district and division courts carried?

Magistrates' courts. The member for High Park.

Mr. Shulman: Thank you, Mr. Chairman.

On magistrates' courts I wish to express my dissatisfaction and I am sure that of many members of this House on both sides, with a great deal that has to do with magistrates' courts.

I do not wish to go back into the Bigelow affair. That has been discussed at some length here, but matters relating to other magistrates have been brought up during the session and I find it extremely disturbing that the Attorney General, at that time, refused to intervene.

I give two examples. A matter which I brought up here, earlier in the session. In front of Magistrate Gianelli, I believe, was a situation where two people were charged with the same offence. The only difference between the two people charged was the older man had been found in possession of the stolen article and he had a long record. The young man, without a record, had not been found in possession of anything stolen. Yet, in his wisdom —and I can find no explanation whatsoever either from the Attorney General or elsewhere—bail was set for the boy at $2,000 and for the criminal with the record at $200.

When I questioned the Attorney General about this he answered, basically, by saying the boy raised the bail and did not have to spend any time in jail, which was not entirely correct but it was completely beside the point, in any case.

Magistrates should, I believe, behave in a rational way and this was not a rational act. We are now having an investigation into certain matters relating to two other magistrates. I do not wish to go into this at all, but it would appear to me that this particular case is a very glaring one for which either there is some explanation which I would like the Attorney General to bring forth. If there is no explanation, I would believe that this particular magistrate has not been properly instructed in his duties.

This is not an isolated thing. I wrote the Attorney General last February about another magistrate, Magistrate R. B. Baxter, who fined a 21-year-old Toronto man $500 for illegal possession of beer at the Mosport races. This man who was convicted could have pleaded guilty out of court and sent in his cheque for $28 for a summons issued against him. Here again, if you go along and plead not guilty to a minor offence, and insist on your innocence, the attitude is: "We will show you; we will fix you." I mean that the fine here was so out of line with the offence it is just incredible.

I wrote the Attorney General, thinking that something was wrong here and something should be done. The director of public prosecution replied to me that the accused had appealed to the county court judge against his conviction and sentence and the appeal against the conviction was dismissed, probably quite rightly. The fine was reduced to $75, which is still far more than he could have paid in the first place, if he had just been willing to pay and not insist on his innocence.

I suggest to you that there is something seriously wrong in the magistrates' courts when something of this nature can occur. I would like to suggest to the Attorney General that it is his responsibility to intervene in cases which are so glaringly against the public interest. The reason they are against the public interest is they reduce the faith of the public in the justice of our courts. Funny things happen in our courts—magistrates' courts. The magistrates, some of them, do not know the law.

We have one magistrate saying, "In no case of liquor offence am I going to give time for payment, even though the law states exactly the opposite." We have another magistrate who seems to have gotten two people mixed up and charges the higher bail against the man who should have received the lower bail. When it is drawn to their attention, nothing is done about it. The fact that the boy was ultimately able to raise the bail is irrelevant and I should have expected better of the Attorney General; I really would.

Here we have a case where a man is fined some 20 times what he could have paid without going to court, because he insisted on his innocence. These are glaring things. They have all happened within the last few weeks.

Surely, Mr. Chairman, it is time the Attorney General looked into the matter of the justice that is being meted out in our magistrates' courts. I may suggest to you that this is a far more serious and far more important matter than who our magistrates consort with.

Hon. Mr. Wishart: Mr. Chairman, on the matter of Magistrate Gianelli, in the case the

hon. member reports. As he says, he questioned me very thoroughly I thought at the time and asked his questions very pertinently and very pointedly and I answered them, I thought, fully and I do not intend to say any more on that subject.

Magistrate Baxter—I do not particularly recall the matter and the hon. member points out that his letter was answered by the director of public prosecutions in my office. I only know that Magistrate Baxter has been a magistrate for, I think, some 27 years on the bench for the magistrates' courts and, perhaps, I suppose could find in the record of performance of any magistrate some cases which one might take exception to or be critical of.

That is why, I suppose, every judge up to the highest court in the land is subject to appeal on his decisions and on sentences which he may give. I could not attempt to defend every case and to say that it was perfect, nor do I think the presiding judge would attempt to say that himself. Generally, I would say this, that as the House is aware, we have brought in a new Act which was passed in this session and has gone right to its last stage in this House, to establish the provincial judges' court which will be our present magistrate's court, upgraded by the provisions of that Act.

In that Act, I would point out to the hon. member, there is provision for the appointment of a judicial council to review and assist the government in the appointment of magistrates, and then we have retained the provision for enquiry in cases where the complaints are so serious that it may need enquiry on the question of whether the magistrate should continue to perform his duties or not.

But I think the hon. member might accept from me the fact there is, in the legislation which he saw and which was presented to this House this session, a provision now for a review of complaints, and they do not have to come from the Attorney General. They can come from a citizen or anyone before that court and the conduct of that magistrate can be reviewed in, I think a quiet and proper way, before a judicial council, which perhaps may go some distance to satisfy what he is saying—that something is wrong with our magistrates' courts.

I think perhaps if I could say it this way—the fact that we have brought in a new bill, a new Act; the fact that we have incorporated in that legislation the recommendations of the hon. Mr. McRuer, set out in his enquiry into civil rights; the fact that we have done that must, perhaps, imply that we were not satisfied with the quality of justice we were getting in those courts and that while I think our magistrates generally have been doing a service within the limits of their abilities as we have designed that court—and, if I may use the term, I fell heir to that situation, but I think, admitting that—the fact that we brought in new legislation to establish what we hope will be a better court with a higher status and one which will command respect and which will be subject to better review and, I trust, one that will have the ability to furnish a better quality of justice, is the answer to the hon. member's complaint that we have not been getting perhaps all we should have.

But to pick out the individual instances here and there is something that I think I could do perhaps, too; I do not attempt to say that every case that is heard before a magistrate was the decision of Solomon at all. They are human, they are fallible, and we try through discussion, through seminars, as I pointed out, to educate and encourage our magistrates to reach a concensus on principles of sentencing and on how decisions should go, to give them the benefit of the best people we have in the administration of law and justice.

I think if the hon. member will be willing now to give us an opportunity to bring into effect the provisions of our new Act, he will see a considerable change in the status of that court.

Mr. Shulman: Mr. Chairman, undoubtedly this new Act is going to be an improvement and undoubtedly we are going to get better magistrates, but that is not the substance of the point I was attempting to make. The substance of the point I was attempting to make is that the three cases which I have drawn to the attention of this House, all recent cases, all involve magistrates with considerable experience; magistrates who have been on the bench for a long time; magistrates who should have known better and, of course, we are not going to get the wisdom of Solomon, but that is not the point of my complaint.

Here were complaints that were brought to the attention of the Attorney General, who should be the man responsible, and the Attorney General did not take any action. Now I come back to the Gianelli case again; it is not good enough for the Attorney General

to say he is not going to talk about it, because I am going to talk about it. Surely the Attorney General will agree with me, whether or not the boy raised the bail—which is what he answered when we go back to the question—is irrelevant.

The point which I raised with the Attorney General, and I will attempt to raise it again now—and if he refuses to answer that will speak for itself—is that the magistrate made a grievous error. Now, when a grievous error is brought to the attention of the chief law officer of this province, he should do something about it. The same thing occurred with Magistrate Bigelow. Here, we members of both Opposition parties are bringing a grievous error to the attention of the Attorney General. We do not expect him to get up and apologize for the magistrate; we expect him to get up and say, "Yes, there was an error. Yes we will see this will not happen again. Yes, I will see that those particular cases are rectified." That is what we expect from the Attorney General.

Mr. G. A. Kerr (Halton West): The member is oversimplifying.

Mr. Shulman: Yes, I am oversimplifying because you have to oversimplify these things; you cannot understand anything complicated. But this is a simple matter—

Mr. Kerr: It is to you.

Mr. Shulman: It is a simple matter. Well, it is too bad the Conservative lawyers still cannot understand. But it is a simple matter, Mr. Chairman, and I know the Attorney General understands it. And this is really what the people of Ontario expect from the Attorney General, just as much as the members of this House. When something wrong is brought to his attention—and this should apply to every Cabinet Minister—it should not be their idea to try and protect and cover over and gloss. They should try to correct the situation, and this is not what has been done with the magistrates' courts.

Mr. Sopha: He is right, the Attorney General misconceives his function.

Hon. Mr. Wishart: Who does?

Mr. Sopha: The Attorney General does. It is as simple as that. A misconception of his duties.

Hon. Mr. Wishart: Mr. Chairman, I do not know what the hon. member for Sudbury is speaking of—but I would say this to the hon. member for High Park, I did not want to say more than I had said about the incidents he raised, but if he is suggesting, if he thinks it is simple—he said I understand it is a simple matter—I think I understand that he has a wrong conception of my function. The Attorney General is not going to tell a magistrate what to do.

Mr. Shulman: If a magistrate makes a mistake, the Attorney General should.

Hon. Mr. Wishart: The Attorney General has no power to do that.

Mr. Singer: The Attorney General told Magistrate Klein what to do.

Hon. Mr. Wishart: No, I did not, not in a court.

Mr. Sopha: He was told what to do.

Hon. Mr. Wishart: Not in a court hearing.

Interjections by hon. members.

Hon. Mr. Wishart: Do not misconstrue and suggest that I told Magistrate Klein what to do in a court case because that is not so.

Interjections by hon. members.

Hon. Mr. Wishart: Let us keep the record straight. The Attorney General does not, nor has he any power, to interfere and tell a magistrate what bail he shall set. And heaven forbid that we reach the day when an Attorney General of any party in this House which may form a government will take that power into his hands. Magistrates set bail at their discretion.

Mr. MacDonald: We are not suggesting that any correction should be made except within the framework of the law.

Hon. Mr. Wishart: The law provides the terms upon which bail can be granted, and the law gives to the presiding judge the discretion as to what bail he shall grant. Now he may be wrong—

Mr. Sopha: If he is wrong, the Attorney General will defend him.

Hon. Mr. Wishart: If the hon. member for Sudbury would permit me to say, the Attorney General will defend his independence on the bench.

Mr. Shulman: Even if he is wrong.

Hon. Mr. Wishart: And the Attorney General will point out that there is a right of appeal from bail as well as from sentence, as well as from conviction. The Attorney General, I think, would be wrong to start interfering with the judiciary at any level and say: This you cannot do.

Mr. Chairman: Order!

Hon. Mr. Wishart: I think I need not say more. I simply will not contemplate the Attorney General interfering. Partly as I pointed out in my opening remarks, he is a political person, but he must, in the administration of justice, hold himself apart from interference as a political person in the administration of justice. You pick out an individual case, and say this was wrong, and I could agree with you. But once you open the door to that type of individual case, where do you draw the line, where do you stop? The thing is you never open the door, you leave the administration of justice to the law as it is set forth on our statute books; you appeal. You do not interfere; the government does not say to the courts, "This is the way you must administer our laws."

Mr. Shulman: But what do you do about bad magistrates?

Hon. Mr. Wishart: Not bad magistrates. If you get judgments that are not correct, you appeal them. You can appeal bail, you can appeal conviction, you can appeal sentence, but you do not interfere. You might get a bad Attorney General—

Interjections by hon. members.

Hon. Mr. Wishart: Yes, he could do a lot of damage. You could get a bad Attorney General who could say, "I do not like that decision. It is my friend that is involved and I am going to tell the magistrate to change the law." Think that over. How far could that go? I can see that once you open the door, it is wide open.

Interjections by hon. members.

Mr. Singer: The Attorney General has now opened the door about this whole discussion and I am delighted that he has. I hope that the new Act that he talks so fondly about will be a rose that will smell sweeter than a rose by the other name. I suspect that it will not. I suspect that nothing is going to change.

Hon. Mr. Wishart: You are always willing to think the worst.

Mr. Singer: Yes, I am, because I am just not satisfied, Mr. Chairman, with the system of magistrates' courts as it operates in the province of Ontario. I think it is a disgrace and I do not think, Mr. Chairman, that the new Act is going to change things unless the attitudes of The Attorney General's Department begin to change.

I do not think that the Attorney General has taken the advance step that he says he has, merely by changing the names of these gentlemen from magistrates to provincial judges, and by paying them a few more thousand dollars a year. That is not going to change it.

Mr. White: On a point of order, the rules very specifically forbid debate on this subject because it has been debated on second reading of the bill, and I would ask that you rule the hon. member for Downsview out of order when he attempts to repeat all of the arguments that were posed here when the bill itself was being debated.

Hon. Mr. Wishart: The rules are very clear.

Mr. Singer: If the member has taken his seat on a point of order, and I arise to address you on the point of order, the member for London South is not known for his courtesy but perhaps he could keep quiet and listen to my point of order, as I listened to his.

I carefully refrained from entering this discussion until it had gone some length, and the Attorney General in reply to some of the remarks and questions posed by the hon. member for High Park referred at some length to the effect that he hoped that The Provincial Courts Act would have. Now, because of the Attorney General having introduced this subject into his own answers on this vote, surely I am entitled, Mr. Chairman, in fairness and in reasonableness to reply in kind, and that is what I propose to do.

Mr. White: No, you cannot debate the bill all over again.

Mr. Singer: Now, Mr. Chairman, all I am saying is this and if the member for London South will listen carefully—

Mr. Chairman: My ruling is that he be allowed to continue.

Mr. Singer: Thank you, Mr. Chairman. I have no intention of debating the bill as it went through. I was just going to say—

Mr. R. F. Nixon (Leader of the Opposition): I think we ought to clarify that, he said there are no rules in this chamber.

Mr. Singer: Did the member for London South say there were no rules in this chamber?

Interjections by hon. members.

Mr. Nixon: That is a very serious thing to say.

Mr. Singer: No rules!

Mr. MacDonald: If that statement were made on this side of the House, we would be hooted out.

Mr. Singer: Yes, indeed.

Interjections by hon. members.

Mr. Singer: Mr. Chairman, if the obstructionist members—

Interjections by hon. members.

Mr. Singer: As I was saying, Mr. Chairman, the Attorney General's fond hopes for this new Act are not well founded, I think. There has to be a change in the attitude within The Attorney General's Department and within the minds of this government before we are going to see real reform come to our magistrates' courts. I do not think that there is a real belief in the minds of those charged with the responsibility of administering justice that magistrates' courts in the province of Ontario are important, notwithstanding the fact that 95 per cent of the people who come into contact during their lifetime with the criminal laws of this country are dealt with by magistrates. I have invited the Attorney General on many occasions to come with me and tour the magistrates' courts in the municipality of Metropolitan Toronto. Unfortunately, we have never been able to arrange a mutually convenient appointment so we have never gone together. He has probably been by himself, but I do not know.

I would ask him if he has ever been in courtroom No. 23, in the city hall of Toronto, the old C court, the one down in the basement that is about six feet wide, and ten feet long where, in the summertime, some kind of a machine—apparently changing the air—vibrates so that the whole room is vibrating—where there is not enough room for the lawyers or for the witnesses to sit down. There is room, nevertheless, for the yelling and bawling policemen yelling, "Shut up and sit down and take your hat off, and take the gum out of your mouth". That happens in that court.

I wonder if the Attorney General can tell me what in his mind is going to bring the change to that kind of a system. He was telling my friend from Dovercourt a few moments ago that he has the responsibility to make sure that clean, proper and adequate court facilities are provided and if he wanders into the nether regions of the old city hall in Toronto, he must be able to see that clean and proper adequate facilities are not provided.

What is provided there is a disgrace to any society that believes that it lives by the rule of the law. Because unless you begin to provide facilities that add dignity and decorum to the law, then the law is not going to be respected, and in those courts, Mr. Chairman, the law is not respected because of the facilities, because of a myriad of things, because of the changeability of magistrates' views from magistrate to magistrate.

I, on occasion, have brought before this House specific charges, and I agree with the suggestion that was made earlier that in every case, no matter how well documented they have been, and no matter how obvious they have been, the Attorney General has acted as the apologist for the magistrates' actions. There is no point in reviewing them. There is no point in bringing back all those transcripts. There is no point in arguing with the Attorney General about obscure interpretations of sections of the criminal code.

One comes to mind particularly—where the magistrate changed what he had written on a licence after he had made a conviction, and the Attorney General dug back into—I do not know—some old English tome to say that once it had been done before. He knows, and I know that it was wrong, but he is the constant apologist for sins of omission and commission that occur in those courts, and I say, notwithstanding a new Act, unless there is a change in attitude in that department, we are not going to get a proper and adequate system of magistrates' courts.

The bail system that has been talked about—everybody who practices before those courts at any time in Metropolitan Toronto knows that we have a system of professional bondsmen. Everyone knows that the operations of professional bondsmen are against provisions of the criminal code. This has been brought to the Attorney General's attention time after time and he does nothing. There is sitting still in the records of *Hansard* a question posed by me earlier in this session about what appeared to be an obvious case of professional bondsmen acting against the law.

The Attorney General took it under advisement and he has never yet answered me. He knows and it will take him, if he does not know now, only five minutes to enquire from anyone who goes into those courts of names of those professional bondsmen and who they are. There is no trick to that, they can be identified, everyone knows who they are. Some of them are lawyers and I think it is a disgrace that the Attorney General has not moved against this illegal system.

We have talked about providing a better system of bail and he says, "I am not going to advise"—he beats his breast in righteous indignation—"I am not going to tell magistrates how to deal with bail." Surely, Mr. Chairman, an Attorney General who was concerned about the bail system could run a series of seminars where the magistrates

would say what their views are as to the granting of bail—that the object of bail is not to punish people in advance of conviction but to secure their attendance in court to face trial. That is the only purpose of bail, but day after day we pick up the papers and we see magistrates who punish people by making bail high enough that they cannot get it. Bail used to, and still does, mean jail for the poor and it does not mean jail for the people who have facilities and access to professional bondsmen or people who have enough money to buy their way out of court. We have had experiments, we have had talks, we have the Amicus foundation here operating in Toronto, fashioned after the Vera foundation that operated in New York city and in this foundation the experiment was excellent. It proved good enough that the city of New York and the state of New York have taken it over and made it a public service.

But here we are still struggling with a charitable foundation, the Amicus foundation, sponsored by a service club and sponsored by a couple of estates to try and provide some service that the province of Ontario should be providing. It is not doing a bad job, but it does it in maybe one of ten cases. The people who are unable to benefit from it, or the people who come before the magistrates and who are going to be punished in advance of their being tried by fixing high bail, do not have any such facilities.

These are the things, Mr. Chairman, that make us wonder about the effectiveness and the functioning of the system of justice in our magistrates' courts.

Mr. Chairman, I referred earlier to this book and I commend it to the attention of the Attorney General and to every hon. member of the House and particularly to my friends up there in the fourth estate, because I have urged their bosses in every case, and certainly in the case of the three Toronto dailies that this is the kind of service that the Toronto dailies should be doing for us.

Unfortunately, we in Opposition are hampered in this regard. We do not have the research facilities that a big city newspaper has. But in the United States the *Christian Science Monitor* saw fit to detach one of its reporters, a man named Howard James, from his regular duties for a period of over six months and instructed him to write a series of articles on what he found out about the courts in the United States, and he did.

He wrote a series of 13 articles and subsequently followed it up with a second series of 13 articles on a different phase of the system. The first series of 13 articles were sufficiently highly regarded by those people who decide those sort of things; they gave Mr. James a Pulitzer prize for unusual and excellent reporting. The matters that he refers to in this book—I am going to deal with them at some length in a few moments—are applicable to an amazing extent to the province of Ontario, not in all its aspects but to an amazing extent.

And so, Mr. Chairman, just before I start on that, I do want to say to my friends up there in the press gallery: Please go over to your bosses and get them to do the same sort of thing with one of you. There are a lot of newspaper reporters in this province that could do this job and do it properly.

It is only going to be with a proper and full exposé of what goes on in our magistrates' courts that we are going to get real reform. We are not going to be able to get it out of this Legislature under the present circumstances, no matter how long we talk, no matter how seriously we research this subject, because we just do not seem to be able to get it through to those responsible for making these changes.

So I make my plea, Mr. Chairman, to the members of the newspaper world to embark upon this kind of a study and to give adequate publicity to the faults—and they are myriad—in our magistrates' courts system, so that we will bring about reasonable and proper change. Some of the things—

Mr. Chairman: Before the member proceeds, I wonder if he would permit the Chairman just a very slight interruption?

Mr. Singer: Yes, Mr. Chairman.

Mr. Chairman: I am sure the members of the committee would want me to draw to your attention the fact that we have with us a visitor today who is not unknown to many of us. Mr. Ross Whicher, MP, is in the gallery to the left of Mr. Speaker's chair.

An hon. member: Great fellow. Great victory.

Mr. Chairman: The member for Downsview.

Mr. Singer: Mr. Chairman, I welcome that interruption.

An hon. member: I never knew he was a kisser of girls.

Interjections by hon. members.

Mr. Singer: Mr. Chairman, when these—

Interjections by hon. members.

Mr. Singer: Well, the member for London South is back again. What was the party affiliation of the fellow Mr. Whicher defeated? What happened in London?

Interjections by hon. members.

Mr. Singer: You fellows did not do so well, as I recall.

An hon. member: Are you sure you did not win one of those seats up there? Not one?

Interjections by hon. members.

Mr. Singer: Mr. Chairman, back to the magistrates' courts.

Mr. Chairman: The member for Downsview.

Mr. Singer: In the prologue to the collection of articles as it is written in this book, there is a quotation from Daniel Webster which, I think, deserves to be written into the record here. Daniel Webster said:

> Justice is the great concern of man on earth. It is the ligament which holds civilized beings and civilized nations together, wherever her temple stands; and, so long as it is duly honoured, there is a foundation for social security, general happiness, improvement and progress of our race. And whoever labours on this edifice with usefulness and distinction, whoever clears its foundations, strengthens its pillars, adorns its entablatures, or contributes to raise its lofty domes still higher in the skies, connects himself in the name and fame and character with that which is and must be as durable as the frame of human society.

And I think this could well be the watchword of the administration of justice by The Department of the Attorney General and the Minister of Justice in this province.

Mr. Chairman, in this series of articles, James deals with a number of matters. He talks about judging the judges, and I am going to deal with that one a little more fully. He has full comment on the dangers of delay. The delay in some of the American jurisdictions are just beyond belief. It is not as bad here, but it is bad. Courts for the common man; children in trouble; prosecutors and police power; the use of police in our courts.

The use of police as prosecutors—it is hard to understand how in this day and age we still have policemen prosecuting in minor cases. Sitting beside the Crown attorney, in other cases advising, in fact conducting the case. The unfortunate use at the present time of untrained assistant Crown attorneys in so many cases. The assistant Crown are so often bright young men just out of law school, just beginning to learn their way, who use the appointment as assistant Crown as a way station on their way to bigger and better things. Why can we not have, as our assistant Crowns, lawyers of more substantial experience? Lawyers who have been at it a little longer and lawyers who we are prepared to pay a good enough salary to keep them there as Crown attorneys and assistant Crown attorneys. Unfortunately we do not do that and unfortunately the cause of justice suffers because of the inexperience of many of these young men and because of their direction by, on many occasions, police officers who have no business advising them.

Jail or bail—I have dealt with that and I will not say much more about that.

If you are poor, the difficulties that you have. The sentencing wonderland of Ontario. The magistrate whose name was bandied about here a little while ago—you remember he sentenced a man named Roberts, I think, to 40 years? Roberts was an incendiarist who came before the courts, and said, "I am sorry I am an incendiarist and I give myself up because I need treatment". The magistrate said, "Yes, sir, we will give you treatment. We will sentence you to 40 years". It was only because of the outcry of the press that a new trial was ordered and eventually the court appeal reduced that sentence.

But this is the sort of thing that happens in our courts, unfortunately, Mr. Chairman. And this is the sort of thing that I am not satisfied that we show sufficient concern about. Lawyer troubles—because our profession is not blameless as I indicated to some extent this afternoon—a question of jury—who owns the courts—the press conflict—judges go to school; and then finally, a long series of suggestions for reform.

Here are some of the things that he has to say about judges—

Hon. Mr. Wishart: Mr. Chairman, it is always a pleasure to hear the hon. member for Downsview, but we are talking about magistrates' courts here. To make this an occasion when he can get up and quote from this very eminent compendium of the articles which appeared in the *Christian Science Monitor,* many of which I read, I think is out of order.

It is true that anyone who writes a book on the administration of justice, or how law

should be carried out, is applicable to any court, I suppose. But to read this very learned author, with his very learned comments on law in general and in some particulars in his native country, the United States, is not related to the magistrates' courts of Ontario. I think that it is just an occasion for the hon. member to display, or get on the record, some very admirable sentiments expressed by this learned author.

I would like, sir, that you might confine him to constructive criticism of our magistrates' courts and I would be glad to hear him, and I think that it would be more profitable than to have him reread this article which I have already read.

Mr. Singer: I had no intention of reading this book, it runs far too long. It runs 260 pages.

Mr. Chairman: I am sure that the member–

Mr. Singer: Mr. Chairman, nothing was further from my mind than to say this author had discovered something wrong in California and why did the Attorney General not do something about it. I am only going to refer to those things which this author referred to, which I think are applicable here in Ontario and ask the Attorney General why he does not do something about them. That was the only intention I had in producing this book. I was just laying the ground work and I thought I would bring the Attorney General up to date about this book so that he can get a broaader knowledge just in a few words this afternoon.

Some of the things that he has to say about judges I think are applicable here in Ontario and we can use the word judges and magistrates interchangeably now. The Attorney General has done this in his statutes now. The acute shortage of judges, I think, would be somewhat eased by the raising of the salary. But I would say that the acute shortage of judges or magistrates is going to be remedied if the facilities are reasonable, logical.

Hon. Mr. Wishart: We got it only this year you know.

Mr. Singer: How long?

Hon. Mr. Wishart: We have only had the responsibility for the provision of facilities for the administration of justice in southern Ontario since the beginning of January, and we just got the Act through in April. Now, you do not expect us to wave a wand and create new courthouses overnight?

Mr. Singer: No, I do not expect you to do that, particularly when I look at the record and see how many years it took for this system to grow up. I do not expect it to be completely reformed over night, but my complaint is that the change comes far too slowly. We have asked for that for nine years; my colleague from Sudbury and I have stood here in our places and complained about these very things and it is only this year that we got a new Act.

As I say, I do not bring the same feeling to that Act that the Attorney General does. As I read it, it is going to be more of the same with a little more money, but hopefully I am wrong. But, Mr. Chairman, when the Minister says, "Give us time," he has had 25 years of time.

You have here the member for Sudbury and myself who have been talking on this for nine years, as have some of the newer members of the House, and you are still asking for time. How long is enough time? How long is it before we are going to bring changes?

Hon. Mr. Wishart: Mr. Chairman, I would point out that the hon. member was a member of a municipal council whose responsibility it then was. I wonder what he did about providing the facilities then?

Mr. Singer: Mr. Chairman, I did no more as a member of municipal council than did the present Premier of the province, who, if my memory serves me correctly, began his career in politics as an alderman in the city of London. The city of London still has not got an adequate courthouse. It is probably the worst one in the whole of Canada.

So, Mr. Chairman, the money available at the same time that the Premier and I were members of municipal council was far from adequate. This was why, when my colleague from Sudbury and I came into the House together, and began to discuss these things, high on our agenda, first on the list, for reform of the system of administration of justice was that the province should take over the cost of the administration of justice. You can go back through nine years of *Hansard* and read that and that is what you will find.

Hon. Mr. Wishart: Well, now it is done.

Mr. Singer: Yes, it is done, but it has taken nine years of our time and 25 of this government's time before finally there is a bit of rustling, and maybe hopefully, something is going to happen.

Now, Mr. Chairman, the thing that Howard James is perhaps most critical about concerning judges and magistrates is not the corrupt ones, and not even the ones who are physi-

cally incapable of carrying out their duty. The corrupt ones can be dealt with and the physically incapable reasonably soon identify themselves and, for a variety of reasons, cease to function. It is the mediocre ones that are the problem.

The ones who are lazy, and lack compassion. Those who refuse to study any more and those who are anxious to leave in the summer to go out and play golf. The ones who are too busy about other things to pay proper attention to the dockets that come before them, but perform a kind of job. So that there is really not enough to put your teeth into; they have not stolen anything and they are not senile. These are the judges that we have to worry about and this is one of the very important ones.

Hon. Mr. Wishart: That is covered in my new Act.

Mr. Singer: Well, I do not know that you have got it covered in your new Act. Do you have it covered in your new Act when you allow the committee to have three heads of investigation, but the disciplinary power is reserved to two heads? Now, you know that and we pointed it out to you when the bill was on its way through the House. You still have only the two heads for removal and the enquiry that you initiated the other day, Mr. Chairman, under section 3 of The Magistrates Act can only deal with the provisions of the old Act which are the same as the new Act. Mr. Justice Grant would have had no more power had he been acting under the new Act, than he would under the old Act.

Those are the two criteria. What I am concerned about is mediocrity, the judge who lacks compassion, the judge who is just too busy to listen to Mr. Sidney Linden when he says, "Let me talk to you about time to pay." The judge that feels that, "You are a terrible person and I am going to make an example out of you and it really does not matter." The judge who brings into court his personal prejudices, which come from his own background, about any one of a variety of subjects.

These are the kind of judges and magistrates that we have to worry about and our court records are just rife with unfortunate instances of poor judicial performance. Look at the docket on any one of those magistrates' courts in one day, and look at the impossible task that those magistrates are assigned every day. You perhaps cannot blame some of them too much for saying, "Let us get the thing over with as quickly as we can. Let us dispose of all these cases just as quickly as we can so we can get out of here. Let us get out of this miserable courtroom with the compressor machine vibrating and making the whole place jump. Let us get out of this place where the prisoners are confined like cattle in the dock. Let us get out of this place where we cannot deal in any other way with the chronic alcoholic except to send him to jail. Let us get out of this place where we cannot deal in any other way with the recalcitrant child who cannot get along with her parents but send her to jail."

This is the kind of reform, Mr. Chairman, that we are talking about, and this is the kind of reform that unfortunately does not seem to be in the minds of the people responsible for running the system of justice in the province of Ontario.

Let me turn now—I think I have done enough at that point—to some of the recommendations here.

Hon. Mr. Wishart: Mr. Chairman I would like to have from the hon. member something more than just critical remarks. Now he says I am concerned with the mediocrity of the magistrates. I would like to ask him now—he says he is concerned about this—what would he do to get rid of what he might consider "mediocre" magistrates?

Mr. Singer: I was rather hoping you would ask that question. I would have taken the advice that I so freely offered to you at the time the bill was going through. I would have appointed these judges and/or magistrates for a probationary period so that you could ascertain—

Hon. Mr. Wishart: Over a period.

Mr. Singer: Yes, so that you could ascertain over a reasonable period of time—one, two, three, five years, whether or not these people were tempermentally suited to being judges.

Hon. Mr. Wishart: All the present ones?

Mr. Singer: Yes, Mr. Chairman, I think if you are going to do it you are going to do it properly. I would think that the Attorney General, who is charged with the final responsibility of making these appointments, would consider that.

I do not care how brilliant a talent you have for assessing the capabilities of people who are potential magistrates, you are not going to be able to tell in advance how they

they are going to work out once they are given those appointments. What my friend from Sarnia was talking about was the idea that some of them are charged with just a bit of deity once they get this exalted appointment; this happens in so many cases.

You have to study these people and you have to have a system of reviewing them, and you have to have a system of charts, and so on, to understand what they have done. If it became apparent, in a three-year probationary period, that bail was set too high, or that the sentences were too great, without a reasonable comparison. And if it became apparent that their court was through every day at one o'clock, no matter what was on the docket. And if it became apparent that they came in late. And if it became apparent that they were rude to counsel and to witnesses. And if it became apparent that policemen were yelling and shouting in their courts and they let them get away with it—these are the criteria that could well have been applied to not confirming their appointments at the end of the three- or five-year probationary period.

This, Mr. Chairman, would have been an advanced step, but the Attorney General was not prepared to do that. He is prepared to gamble on his ability to size up, after a short interview, and perhaps—not necessarily, but perhaps—with the advice of a judicial council—

Hon. A. Grossman (Minister of Correctional Services): Where are you going to get a probationary judge?

Hon. Mr. Wishart: Are you going to put magistrates on probation and call that justice? Do you think the people are going to accept going for three years before a bench that is sitting on probation—the whole bench? What kind of justice do you think they are going to think they are getting?

Mr. Singer: Mr. Chairman, as I pointed out when the Attorney General said, "how is it going to work?" you have had it in your statutes for a long time. You say you never used it, but you still have at least two deputy magistrates sitting on the bench in Metropolitan Toronto to whom you have never seen fit to give full status. You are saying they are not quite good enough to give full status and full pay, but we are keeping them there.

Hon. Mr. Wishart: The magistrate who is serving on probation with an Attorney General, a government—who can dismiss him? Who is he going to serve if he has any weakness? Is he going to be independent, or is he going to be careful in his handing out of justice so that he does not get dismissed because he does not suit the Attorney General?

I would not for a moment—and I said it in the debate on that bill, and perhaps we are talking about the bill, Mr. Chairman, and maybe we should not be—but I think that would destroy the independence of your bench, to have a bench on probation.

Mr. Singer: Mr. Chairman, I do not think it would destroy the independence of the bench, any more than the present system of appointment destroys the independence of the bench. Who do they go to if they want to be magistrates? Who are they going to go to if they want to be provincial judges? They are going to have to satisfy the same man who says, a little later on, it would not be nice if they had to satisfy him. He does not just pull them out of a sterile box and say: Here is a good magistrate and we are just going to pull out the next one and there he is.

Mr. Sopha: Up to now they had to prove they were Conservatives first.

Mr. Singer: What is the difference, in that case? If the Attorney General is going to be political at all, surely he is going to be as political in the first instance as he is going to be at a later date?

If the Attorney General can be trusted in making these appointments in the first instance, surely he can be trusted in exercising the same kind of discretion at a later time, after he has had a record of their performance for a period of a few years, so he can check it out. Surely that makes sense? If it does not, then the Attorney General and I just do not think along the same lines.

Interjection by an hon. member.

Mr. Singer: I do not care what the federal government thinks about this. We are talking about a responsibility, Mr. Chairman, of this government. We are talking about the responsibility we have to clean up what I call the mess in our magistrates' courts, and I charge that this government has not set about it in a proper way, Mr. Chairman.

Mr. Lawlor: I settled all that two months ago.

Mr. Singer: And if the member for Lakeshore who has finally come awake again

would just stop nattering, he can talk in due course and express his views.

Mr. Lawlor: Make your point.

Mr. Singer: Perhaps I have not made my point because some of the more obtuse members, like the member for Lakeshore, are not sure what I am talking about yet, so I will talk on for a while in the hope that I can convince him as well.

Mr. Chairman, it is pity that this little left wing minority group which has been further reduced to what—five seats now in the province of Ontario?—gets very unhappy when something is being presented here that has some real value to the public's business. But, Mr. Chairman, notwithstanding all the nattering that is going on, it is not going to deter me one whit and I am going to continue until I am finished.

Hon. Mr. Grossman: What did the hon. member say about courtesy?

Mr. Chairman: Back to the magistrates' courts.

Mr. Singer: Back to the magistrates' courts.

Mr. White: The member for Downsview is trying to get even with the hon. member for Sudbury—

Mr. Chairman: Order, please!

Mr. Sopha: Can you understand why he picks on me all afternoon?

Mr. Chairman: I cannot hear him. The chairman does not hear him. Magistrates' courts.

Mr. Sopha: He must have had a distorted childhood.

Mr. Chairman: Would the member for Downsview please proceed?

Mr. Singer: Yes, Mr. Chairman. I am just reviewing and cutting down some of these matters. Some of these suggestions taken at random—the treatment of police, insofar as their giving evidence. Surely it makes abundant good sense that police should be paid for the time that they have to go into court and give evidence? This is one of the very unhappy things—it does happen here—the police, unfortunately, are penalized for the times that they have to go into court. They lose their time off, and so on.

Hon. Mr. Wishart: Where is this?

Mr. Singer: In Toronto, in Metropolitan Toronto, in the province of Ontario the same way. One would think that giving evidence in court is an integral part of the whole system of the administration of justice. One would think that this is a pretty obvious thing. The whole process of education of these magistrates, Mr. Chairman, once they have been chosen. I would think that no magistrate should be allowed to sit on the bench until he has been given a period of training, because what happens here is that one day he is a lawyer and the next day he is a magistrate and the next day he is sitting in judgment. I would think there should be an established system of training for magistrates, whereby they could be told the procedures that exist in their courtrooms, informed of the particular laws that they are going to be called upon to deal with—a study course. I think we could well begin to examine, perhaps through our law reform commission, a system of streaming within our law schools and perhaps directing some of our lawyers, or law students to the task of becoming, in due course, magistrates and judges.

I would think we have to make a real study of how we get people appointed who are going to be in the position of making judgments. Mr. Chairman, apparently I have tried the patience of a few of the members —London South, Lakeshore, and so on. That does not bother me very much and perhaps I have made this point about as well as I can for this year. I will be back to it again next year, as I have been back to it for the last nine years.

I say that the time is long overdue that we should have a real reform in our magistrates' courts. There is nothing that has come before us in this session that, to my mind, gives us any reasonable hope to expect that the situation is going to be substantially improved. I would hope that the Attorney General, with the help of all the members of the House and, particularly, with the help of an alert news media, will begin to pay attention to what is going on in those courts and will begin to clean up the mess that exists.

Mr. White: On a point of order Mr. Chairman. I think the member for Sudbury is now entitled to a 15-minute rebuttal.

Mr. Sopha: Mr. Chairman, I want to advert to the comments of the Attorney General, wherein he put his views most laconically. One would have wished that he would have expanded on his views at much greater

length, in relation to his duty as he conceives it in respect of any supervisory jurisdiction over the magistrates' courts.

What depresses me about his statement of his duty is that I contend—and I am making argument now as opposed to what he said and what he wanted to imply—I want to make argument.

As I see it, where he goes wrong is his departure from the first principle. That principle must be that in our constitutional system this Legislature is supreme. This is the supreme body within the state and one must state, very delicately indeed, one must approach with a good deal of caution in saying that in respect of all other arms of government, including the courts, this Legislature being supreme has something of a supervisory jurisdiction. How could it be otherwise, when the Legislature decrees, from time to time, how the business in the courts will be managed? The approach to the handling of the business that shall be the order of the day. So it is that, this year the Legislature decrees that the constitution of the most inferior courts—that is not a term of opprobrium—the courts lowest in the scale, shall be thoroughly revised.

I am not going into the merits of that but I am using it to illustrate the supreme supervisory jurisdiction that the Legislature has over all other arms of government.

Therefore, it follows that where the Attorney General goes wrong is in his strict and erroneous adherence to the principle that it is his duty when the Legislature criticizes a magistrate, the Attorney General concedes it to be his duty without departure on any occasion, to rush in here and defend the magistrate. I say that is completely wrong.

The Attorney General has no such duty at all to rise in his place and protect the magistrate and defend him in his error and so it was with Magistrate Bigelow. There is no question of that in law. There is just no question and it is hardly open to argument that in respect of allowing time to pay a fine, the magistrate has, by the law, a duty to enquire into the circumstances of the individual offender. There is no doubt about that at all, and yet, when Magistrate Bigelow announced, as he did, that he had a policy that people convicted of liquor offences were never given time to pay and we raised that here and complained about it, the Attorney General rushed into the House with a prepared specious argument seeking to defend that magistrate in his error. I ask if the Attorney General is going to do that on every occasion? What hope have we got that there will be a corrective supervisory jurisdiction exercised over the perpetuation of error in the magistrates' courts. We have no hope at all because the Attorney General then becomes the defender of magistrates, right or wrong. He will rush to their defence and on the other hand, what is wrong with the Attorney General of today standing in his place, answerable to this Legislature? What is wrong with him in agreeing when justified criticism is tendered in the House about conduct of magistrates? What is wrong with the Attorney General acknowledging the criticism and saying, "I agree with it"? And what would be wrong for the Attorney General, as the intervention of my friend from York South indicated his thinking of the matter, going to the magistrate in chambers, in private, and pointing out to him upon good and valid grounds, supported by evidence, errors that he conceived the magistrate had indulged in. What would be wrong with that?

Hon. Mr. Grossman: Supposing you did not agree with those grounds?

Mr. Sopha: It would work toward the amelioration of the system and would apply a corrective influence so that the public might expect the very best efforts, the most detached and impartial and objective attitude of mind of the magistrate, in the dealing with the cases that come before him. But I think what has gone wrong here historically is that this department, over the years, under successive Attorney Generals, has considered itself to be a prosecuting department. It has become imbued with the carrying out of its function in the prosecution of criminal law.

In that sense, it has been more of a law enforcement department than it has been a justice department and we hope to see a departure from that attitude of fidelity to the prosecution side. As I said last night and it bears repeating, there is no question about what the first Minister of this province, the Prime Minister, had in mind when he changed the name, when he put a new label on this department. He had in mind the conveyance of the notion to the public that The Attorney General's Department hereafter would concern itself more with the quality of justice in the province and concern itself less with the harrying and the prosecution of the felons before the law.

Hon. J. P. Robarts (Prime Minister) Precisely why it was done.

Mr. Sopha: Yes, and now that is a very appropriate time for me to back up, statisti-

cally, the statement that twice here before I have said that the province of Ontario leads the way and is notorious in wanting to put people in jail. I have the statistics before me. Most of the people go to jail in this province as a result of being called before the bar of justice in the magistrates' courts. My friend from Downsview very accurately pointed out that 95 per cent of people in trouble with the law are dealt with in the magistrates' courts.

Now I want to put a few figures on the record. I want it remembered in relation to the figures and I am going to make comparisons between the province of Ontario and the province of Quebec, the two largest provinces—and I ask you to accept that the province of Quebec is about 80 per cent, Mr. Chairman, of the population of the province of Ontario, it is roughly the ratio as four is to five. We find that in the realm of convictions for intoxication, and I am going to refer only to the year 1966, the offence, Mr. Chairman, under our Liquor Control Act of being drunk in a public place, intoxicated in a public place and we find that the convictions in Ontario totalled 56,290. In the same year, the convictions in Quebec totalled 15,440. Now I would not, for a moment, stop. I suffered enough last night.

I would not stop to make any comparisons between Ontario and Quebec in respect of drinking habits except to say that people live in Quebec and people live in Ontario but it is interesting to note that four times the number of convictions for that offence occurred in Ontario as in Quebec in our magistrates' courts and that is what I mean when I refer to the notoriety of this government, through The Department of the Attorney General, in prosecuting people with the end result that the people end up in jail.

These figures are from the Dominion bureau of statistics. Convictions for other offences under The Liquor Control Act in the same year—and I ask you to remember, Mr. Chairman, that under The Liquor Control Act there are a number of infractions that are set out, such as being found in a place where an offence is being committed, keeping for sale, and so on—there were 44,802 convictions in Ontario and in the same period 14,215 in the province of Quebec. Now, Ontario leads the way, as the Premier is so wont to say, he likes that phrase, "Ontario leads the way." Ontario certainly leads the way in putting people in jail, especially for convictions under that statute. And here is the point of making reference to that: I do not make reference to it, I assure you, Mr. Chairman, in order to cudgel or berate the administration on this side, but I make reference to it to associate myself with the remarks of Professor Morton of Osgoode hall when he wrote in the *Globe and Mail*, at the time of the Bigelow affair, when Mr. Bigelow said that it was on his policy—and the Attorney General defended it—that no one convicted of a liquor offence gets time to pay.

That was all right that day, be it noted, with the servant of the Attorney General who stood or sat in his place in that court; the servant of the Attorney General never at any time rose to his feet, it is recorded, to make any kind of protest in support of Mr. Linden. And let us remember that Mr. Linden on that day, notwithstanding the injunction laid down in an umbrella-like fashion by the magistrate, Mr. Linden carried out his duties in the best tradition of our profession in that in every case after Mr. Bigelow let it be known what his policy was, Mr. Linden, so the *Globe and Mail* recorded, got up and made representations on behalf of each offender.

But the servant of the Attorney General—and happily I forget his name—he remained completely silent throughout the whole piece. In that way it is valid to say that the semantic approach of The Department of the Attorney General is that, if they are not actively engaged in putting people in jail, then they are certainly content and remain passive in the courts when the sentence of imprisonment is imposed upon them.

And I can say over a period of 15 years' experience, that invariably when the drunks are dealt with, they are dealt with first. As I said before, drunks come before QCs and they come before people who plead not guilty. The drunks get preferential treatment. They are dealt with at 10 o'clock at the opening of the court and, invariably, in my experience—and I have appeared in magistrates' courts all over this province—invariably the agents of the Attorney General scarcely ever say a word on behalf of the drunks.

In fairness, they do not say anything against them. But they just sit there and the magistrate—this is a very mechanical process, mechanistic in the extreme—the magistrate deals with the drunks with the assistance of the police officer. The Attorney General's agent sits passively by. The situation has only been corrected with the introduction of legal aid in that now duty counsel will say

a word on behalf of the people charged, as Mr. Linden did on that celebrated occasion.

So The Attorney General's Department is very much a party to putting people in jail in this province and those statistics that I have cited are certainly alarming. Now I return to what Professor Morton said, and I associate myself completely with it—a very progressive attitude which I am glad to adopt and share. He said our present system is inhuman; what we ought to do is make the process a revolving door process, but the revolving door should not be situated as a door to the magistrate's court. It should not be—and I am glad the Minister of Correctional Services is here—he said it should not be a door to the magistrate's court at all.

The courts should have nothing to do with dealing with this offence, but the person who is found in an inebriated condition, said Professor Morton, should be brought in, his safety maintained, be dried out, and released —released without any further dealing with him by the process of justice at all. That especially appeals to me when I remember that it is the government of the province that supplies the liquor in the first place. They are the ones who make it available; they are the ones who make a profit out of it—we are the ones who make a profit out of it.

I have always thought it to be somewhat hypocritical that this stuff is sold to the inebriate, he consumes it, and then the state descends upon him and takes him in for drinking it—very discriminatory.

One need only mention, in passing, that very discriminatory piece of legislation. It is only the poor drunks that are picked up. If you are a well-heeled drunk, you do not get picked up. The police could station themselves outside some of the best golf courses in Ontario and could pick up an equal number of the people who have made egress from the premises at an appropriate time. But they do not. They do not stand there; they stand down in the places where the economically disabled people are likely to congregate. They are the ones who are picked up and put in the hoosegow to come up before the magistrate the next day.

On the validity of the figures, I have said that Ontario is notorious for putting and keeping people in jail. That statement is further verified when one looks at the statistics for the year 1967 in the correctional institutions. I am not talking about penitentiaries at all, I am talking about the provincially administered institutions, and I make reference to one statistic.

In the province of Quebec on March 31, 1967, there were 1,631 people in correctional institutions of all forms. In the province of Ontario on the same date, March 31, 1967, there were 4,700. So, whereas the population of Ontario is one-fifth more than that of Quebec, we find that precisely three times as many people were in institutions. And I allege—and I suppose the Minister of Reform Institutions would not dispute me—I allege that those figures reflect the large number of people in for liquor offences.

My point is this—let us stop this misuse of our magistrates' courts. Let us stop it; let us make them environments of decency and humanism, and let us cut out this traditional archaic and ridiculous practice of hauling these people into those courts and dealing with them for infractions of this statute.

And let us, at an early time, set up a different method. I have taken my place here and said that I would be quite content to let them go free. If the magistrate says $10 and costs to the fellow on the first offence, as he always does, that does not help the fellow not to be a drunk. That does not cure him, it does not assist him in any way.

If he has the $10 and costs, which are usually $13, he will pay it and he will be drunk that night. If it is five days, as they humanely say in most cases—$10 and costs, or five days—then in five days' time, after getting dried out at public expense, he will be down at the nearest bistro getting another tankful and he will likely be back. What is the sense of this ceaseless repetition of bringing these people through these courts?

There is one other matter I want to deal with if I may.

Mr. Chairman: Does the member have more to say on that—

Mr. Sopha: One other. Not on that, I have finished that. I have one other point on magistrates' courts.

It being 6 of the clock, p.m., the House took recess.

No. 135

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Wednesday, July 3, 1968

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, JULY 3, 1968

The House resumed at 8 o'clock, p.m.

ESTIMATES, DEPARTMENT OF THE ATTORNEY GENERAL

(Continued)

Mr. Chairman: On vote 207, magistrates' courts, the member for Sudbury.

Mr. E. W. Sopha (Sudbury): Mr. Chairman, the question remains after the dinner adjournment in the same form that it was before the adjournment, and that is that we are left in a state of wonder over here. Now, sir, if the hon. Attorney General refuses to exercise his supervisory function over the operation of the magistrates' courts, then who is going to do it? My friend from Downsview (Mr. Singer) is perfectly correct in reciting some of the inadequacies and sins of commission or omission—as it is in the Anglican Book of Common Prayer—of which he has informed the House. I do not propose to repeat them.

One does not have to be in a magistrate's court for a very long period of time before he concludes that in many magistrates' courts, the office of magistrate is a sort of partnership with the office of Crown attorney. In far too many cases, the magistrate presiding considers himself to be something of a second prosecutor, and sees at least part of his role to be that of assisting the Crown attorney. In many cases, of course, where the ability of the ingenuity or the energy of the Crown attorney is diluted, the magistrate will go out of his way in order to fill the gap. And directed, no doubt, toward the good end that the guilty shall be punished, I have seen some startling illustrations of that.

I recall going into a magistrate's court in Windsor where a magistrate, who was very highly thought of in this province, was presiding. I was visiting my former colleague from Essex North, and I dropped into the court to see how business was conducted and spend a morning in observation. I recall that they were dealing with a case where the Crown proceeded on a charge of theft of gasoline from a car left in a parking lot. At the end of the Crown's case, they had failed to prove the ownership of the car from which the gasoline was taken; it was an essential ingredient to call the owner to testify that he had not given his consent for the person to take the gasoline from the car. I should point out, too, that the accused was not represented by counsel.

At the end of the Crown's case, they had not proved that very point. This young chap was probably 18 or 19, defending himself, and quite a decent looking young chap. The magistrate, at that point, instead of dismissing the charge for failure to prove the case beyond reasonable doubt in all its particulars, *propio motu*, and on his own motion, suggested to the Crown attorney that they adjourn the case in order to summon the owner of the car, on another day.

Of course, had the chap been defended by counsel, that would not have been permitted. But that is an illustration, and I have no doubt that it has been many times repeated, of the partnership between the Crown attorney and the magistrate in the administration of justice. Now, the Attorney General (Mr. Wishart) sees his role as being to defend magistrates, even when they are wrong, and he adheres to that very strictly, in what he says to us. It is left to the Opposition from time to time, currently and contemporarily; it has a duty to raise these matters in the House and ask for the necessary redress. It is very interesting to note that the English court of appeal—which is a great organ of innovation, with people like Lord Justice Denning having sat on it, Lord Devlin, and other very strong judges—has recently laid down the principle of English law, a new found principle, that courts are not immune to criticism even when the criticism is erroneous or misguided. I think that all those point to the extent of saying that they are not immune to criticism that is mischievous or malicious, that the right of free speech overrides all else.

Mr. P. D. Lawlor (Lakeshore): Do we have those in Ontario?

Mr. Sopha: It is left to the press and the Opposition to call attention to this arm of

government, which cannot be perfect, and the posture the Attorney General could adopt toward Magistrate Bigelow. As an illustration of this type of thing, he could go down and say to the magistrate, "Look, I am criticized every day, I get all kinds of criticism sitting in the place I sit in in the Legislature. I have to face it and I have to answer it and sometimes I feel that criticism is unjustified, that it is ill-founded, that the criticism might be mischievous, but I have to take it and I have to withstand it in the democratic forum in which I operate as the chief law officer of the Crown." And he can say to Magistrate Bigelow, "You are not immune to criticism, either, and I am here to ask you to correct your practices."

Now that we are dealing with that man, he is a good illustration. I went down looking for the duty counsel two or three months ago in relation to a case, a former employee of the Attorney General, a very able lawyer. I went down looking for him and while I was waiting his appearance, dropped into the famous Court 23. The word "infamous" might be more suitable to describe it. I dropped in there and who was presiding on the bench but Magistrate Bigelow.

I am telling you I had never seen anything like this before. He sat up there in his regal majesty and he had a court clerk sitting down in front of him, and as the docket proceeded, every once in a while the clerk would shout in the loudest possible voice to some person attending upon the court, something like, "No reading newspapers in court; no chewing gum in court; no leaving the courtroom while a case is in progress." And he would interrupt counsel. Counsel would be asking a question of a witness and this clerk fellow, who thought it was his mission in life, would sit there and at regular intervals bellow out something at the people in the body of the court. Well, I said to myself—

Mr. Lawlor: Was this the Attorney General?

Mr. Sopha: I hope I would have the courage, if I were appearing in that court—I repeat that I have appeared in magistrates' courts in most parts of this province—and if I were defending a person and that fellow shouted in that fashion when I was asking a question, I hope that I would have the courage to stop and say, "Look you, why do you not shut up for a while? Why do you not dry up?"

Interjections by hon. members.

Mr. Sopha: I cannot deny the validity of the interjection.

Mr. V. M. Singer (Downsview): Mr. Chairman, I think that is when you are said to be "hoist with your own petard".

Mr. Sopha: I would be the last to deny the appropriateness of that last remark.

An hon. member: If the Attorney General was there, why did he not say it?

Mr. Singer: Great fellow for a Cabinet Minister. You should keep him. You need more fellows like him.

Mr. Sopha: Mr. Chairman, the point I make, and I hope it is a very valid one, is that I am deeply concerned that we have an institution here where, from time to time, activities occur that are thought important enough for someone in this House to get up and refer to them.

The member for High Park (Mr. Shulman) has made a very pertinent observation about instances where he appears to have the evidence which shows some impropriety in the administration of justice—a departure, let us say, from what we conceive to be in the tenets of natural justice. I see no reason whatsoever that in those circumstances the Attorney General ought not to send his emissaries down to the magistrate. He could send a person like Mr. Cormack down to have a word of prayer with the magistrates in order to improve the situation.

I say that in the recognition that all human institutions are attached with human frailty. They all make the mistakes that humans are prone to make, and what is more appropriate for someone here, in this body, where we are subjected in our daily lives to the criticism of others, both in the way we say it and the content of what we say, what is more justified than for us to say to the Attorney General that as the chief law officer of the Crown he is the protector of the administration of justice. I hope, as long as he occupies that office, which in so many ways he so ably occupies, that he will depart from this attitude of coming in here to justify error and will feel free in appropriate cases to say, "I conceive this to be wrong and I shall write a letter to the magistrate concerned and draw it to his attention". He might send him a copy of *Hansard*, with all the remarks, for his persusal in the midnight hours.

One further thing—an observation that attaches to this court as well as it attaches to all the others in the hierarchy, in the trial side —I would hope, in 1968, that we might, at an

early time, depart from this business of the prisoner's dock, being a relic of a past age.

In saying that, I want to make it perfectly clear that I have no undue sympathy for those who live their lives skirting the line between lawful conduct and the unlawful. I realize there is that element in our society who, through choice or other reasons, have embarked on a life of crime. I say these things out of no maudlin sentimentality for that group. But I am also conscious of the knowledge, that in our magistrates' courts, of the people who come in there, the overwhelming majority of the people are those who are there on one occasion only in their lives. They come into that court—that 95 per cent that my friend from Downsview speaks of—in reference to one brush with the law and having completed that and got the decision of the court, that is it. Those who keep returning are a very small minority.

Accordingly, it should follow that the atmosphere of our courts and especially the magistrates' courts should be as consonant with human dignity as we can possibly make them, so that the person coming in is dealt with in the way that human dignity demands, in an atmosphere that is the optimum that we can make, and he goes away with a feeling that he was dealt with fairly.

Now the one thing that detracts from that, to me, is the inhuman practice of putting the prisoner in the prisoner's dock. That was all right back in the 15th or 16th century, where the criminal did not have many rights to start with, and was usually presumed to be guilty in the inquisition that was conducted. But not so today. A great number of people who go into our courts and have one brush with the law, walk away with an acquittal in their favour, and certainly they must look back in retrospect. If they are bundled into the prisoner's dock they must feel they are being treated as something less than humans.

I am speaking of the fact where, throughout the trial, the prisoner is segregated and kept confined in the dock with a guard at his side. I can recall in a case where I had to be quite vociferous to the trial judge to persuade him to make the guards take the manacles off. They wanted to keep the fellow manacled throughout the trial.

Mr. J. E. Bullbrook (Sarnia): It is hard to make the jury believe he is not guilty.

Mr. Sopha: It is difficult. Oh yes, and the focus of the jury on this person with he guards around him gives the impression of guilt from the very outset. Why would it be too much of a trend toward republicanism —with which the Prime Minister (Mr. Robarts) would shudder—if we allowed the prisoner to sit at the table with his counsel throughout the trial where he could readily instruct his counsel.

They could be in constant communication, the one with the other. During the course of the trial many situations arise in which the counsel needs immediate instructions. He needs to consult with his client, as the story unfolds, and he has to get up very conspicuously and he has to walk the number of steps over to the prisoner in the dock and carry on a conversation which attracts attention to him, and to the accused. No doubt the jury is sitting there wondering just what the nature of the communication is between them and are they making all sorts of unfair inferences.

So really, in this enlightened age, I do not see that we have, in order to secure justice, to perpetuate this archaic method of handling the accused. A great service would be made to the administration of justice if we did away with it at a very early time. I feel that that manner of treating the accused is rather connected with a lot of the majesty and trappings that have surrounded our courts. They are far too many, and they lack utility. They are the relics of a bygone age, and I completely agree with my friend from Sarnia about this Alice in Wonderland atmosphere of the sheriff coming in with that sword and the tri-cornered hat, and mouthing these words that no one understands. What do they call it? Oh, yes "The sittings of oyer and terminer and general jail delivery," and all that mumbo jumbo; of course, it is completely lost upon the spectator.

Hon. A. A. Wishart (Attorney General): If the hon. member is discussing magistrates' courts, this is completely irrelevant, because we do not do that in magistrates' court. That is British custom.

Mr. Singer: You are so sensitive.

Hon. A. Grossman (Minister of Correctional Services): Do you want an insensitive Minister of Justice?

Hon. Mr. Wishart: I am just saying it is not relevant to this item of my estimates.

Mr. Sopha: It is not entirely. There was a retrograde step in the magistrate's court taken —it may have been during the tenure of this Attorney General; certainly, if not in his time in office, in that of his predecessor—

in that magistrates came to be gowned. Now they wear the flamboyant gowns in presiding on the bench. It always seemed to me, and perhaps I am far too pragmatic and utilitarian about this, that the real atmosphere of the purveying of justice flows from the quality of the person who dispenses it.

Interjections by hon. members.

Hon. Mr. Wishart: I am not angry. I just want to ask the hon. member if he would permit me, through the Chairman, to ask him when he goes into Supreme Court, does he wear his gown and his tabs?

Mr. Sopha: I do.

Hon. Mr. Wishart: Do you wear your QC gown?

Mr. Sopha: I have no choice.

Mr. Chairman: Order! The member for Sudbury has the floor.

Mr. Sopha: But we have people in the benches of the law society—Joe Sedgwick, for example—who would have us wearing wigs if he could get away with it. He would go back to wigs. I want to get rid of all that and I am completely up to date with my friend, the member for Sarnia, in drawing attention to it. In a modern society, I would think, Mr. Chairman, I plead with the Attorney General who is very progressive in some of his ideas, I am merely making the point that the modern outlook is that you do not need this mumbo jumbo, you do not need it. You do it by quality. We live in a world where we are dedicated to excellence and if we have excellent people on the bench in magistrate's court they do not need all this folderol to help them. So we are talking in terms of improvement.

Interjections by hon. members.

Mr. Sopha: Mr. Chairman, I am going to sell tickets to this.

Hon. J. P. Robarts (Prime Minister): You would not sell any.

Interjections by hon. members.

Mr. Chairman: Order! The member for Sudbury.

Mr. Sopha: I am going to sit down before I tax the patience of the House, but before I do, I want to go back to the earlier part of my remarks and I just want to refer to them. The Minister of Health (Mr. Dymond) was not here and I want to acquaint him with what I said.

Mr. Chairman: I would remind the member that repetition is out of order.

Mr. Sopha: I do not want to be repetitious.

Mr. Chairman: I am sure the member does not.

Mr. Sopha: And if I am—did somebody ask the Premier what happened back home on Tuesday?

Mr. Chairman: I am sure that has nothing to do with magistrates.

Mr. Sopha: I want to ask the Attorney General—

Interjections by hon. members.

Mr. Sopha: In the light of the statistics that I put on the record, what explanation does the Attorney General make of those truly alarming differences? I have not compared Ontario with any other province in the country but if we can take one—Ontario is 7 million—take Alberta, for example, which at 1.4 million is one-fifth the population of Ontario; the figures for Alberta show 16,291 convictions as against Ontario's 56,290. I want to know, what is the explanation?

Hon. Mr. Wishart: One-fifth of the population.

Mr. D. C. MacDonald (York South): As a matter of fact, Alberta is worse.

Mr. Sopha: They are worse, yes, they are worse. All right, let me return to the—

Mr. C. G. Pilkey (Oshawa): Let us forget about that one.

Mr. Sopha: All right, let me return to the Quebec figures.

Interjections by hon. members.

Mr. Sopha: All right, let us put it this way. Supposing, accepting that Alberta is worse but returning to the Quebec figures, what is the explanation of the alarming difference between the number of convictions—56,000 in one province and 15,000 in the other? The population of Quebec is four-fifths that of Ontario, but Ontario has four times the number of convictions. Then the other side of the statistics that I recited: As of March 31, 1967, three times the number

of people in our houses of correction, provincial institutions only, as there are on the same date in the province of Quebec. Well, here he comes, QC.

Hon. Mr. Grossman: In the first place, Mr. Chairman, there is a great deal of difference in the manner in which jurisdictions compile their figures. One in particular—

Mr. Sopha: The figures supplied allowed for that.

Hon. Mr. Grossman: I am offering this explanation and it might help the hon. member. If he does not want it that is fine and I will sit down.

There is another matter. The province of Ontario for example, in its correctional system, has clinics for the treatment of alcoholism and many magistrates use the conviction method of getting them into these alcoholic clinics which they do not have in other jurisdictions. I say that generally, and over all you will find that where there is a more affluent population, there is a much larger percentage of people consuming hard liquor. This is one of the facts of life. I do not want the hon. member to feel that I do not agree with him that too many people are being sent into correctional institutions. I agree with him generally in this respect, and I, too, would like to see a lot fewer being convicted, particularly for drunkenness.

But he was bringing in the matter of using the statistics. They are really not comparable for at least the three reasons that I have given.

Mr. Sopha: That is not what the Dominion bureau of statistics indicates. I wrote especially to ask them for their figures, and pointed out to them that apparently in some provinces, there are convictions under municipal bylaws which we do not have in Ontario, and asked them to very carefully winnow those out of them so that the figures would not be distorted. So they took time to consider and sent me the list, and from what they say in their letter I must infer that they were looking for comparable statistics. Now, I accept the explanation offered by the hon. gentleman, but I was disturbed at him relating it to the drinking of hard liquor because he stands on dangerous ground, if he starts to talk about affluence and drinking hard liquor, the Marxist over here will say that you are discriminating against the poor.

Interjections by hon. members.

Hon. Mr. Wishart: Mr. Chairman, I would like to deal with a couple of points made by the hon. member. He started out by basing his argument on the proposition that the Legislature is supreme over all other forms of government. It is indeed. With this I will agree. He went on, using that as his premise, to argue or submit that supremacy as the highest court in the land gave the Attorney General or any department, or the government, the right to interfere with the independence of the judiciary. The Legislature is the highest court in the land. It is supreme in the sense that it may make any law within its jurisdiction that it wishes. It may change or repeal any law that is found within its power to be dealt with. It therefore is the highest and the supreme lawmaker in the land.

Mr. Singer: Where do you find the law? In the Attorney General—

Mr. Chairman: Order. The Attorney General listened very carefully and quietly. Surely you can afford him the same courtesy.

Hon. Mr. Wishart: But when the Legislature makes one of its laws that says that the court or the judiciary shall be independent or shall be operated in such a way, and a magistrate shall not be removed except for misbehaviour, or inability to perform his duties, that does not mean that the Legislature or that a department of government, in its supremacy, can interfere with the law that it has made itself. If it wants to interfere with the judiciary, if that is what my friends opposite are arguing, then it must pass a law saying that when a magistrate's decision does not suit the government, or meet the approval of the Attorney General, then the Attorney General can do such and so.

But when the Legislature makes the law in its supremacy and says that the judiciary shall stand apart, and shall not be interfered with, then the Legislature itself must abide by that law until it changes it. We have been very jealous all through our history to keep the judicial arm away from the control of the government, and for the hon. member for Sudbury to go on and attempt, I think, to delude his listeners and to delude the public in saying that that gives the Attorney General the right to interfere with the magistrate, is either intellectual dishonesty or he is guilty of fallacious reasoning.

Mr. Sopha: Not all, I am not saying any such thing.

Hon. Mr. Wishart: Either one or the other.

Mr. Sopha: On a point of order, Mr. Chairman, I cannot let this pass unanswered. I am not suggesting any such thing at all. I am not even talking about interference with the courts. I refer to the fact as an extreme case; in an extreme case the Lieutenant-Governor in council passes the necessary order-in-council to set up a committee of enquiry as they have done in the case of these two magistrates. But this suggestion is far short of that. The Attorney General might exercise some supervisory jurisdiction in calling it to their attention.

Hon. Mr. Wishart: What is the point of order?

Mr. Sopha: That is the point of order, that you are distorting what I said.

An hon. member: That is not a point of order.

Mr. Sopha: All I am asking you to do is to draw to their attention errors of judgment and minor infractions in the conduct of the courts, that is all. I am not talking about passing laws.

Mr. Singer: Mr. Chairman, not on a point of order but in the spirit of this debate, let me say this—

Hon. Mr. Wishart: But this is not a point of order.

Mr. Sopha: Now do not distort what I say.

Hon. Mr. Wishart: The hon. member went on to say that, because the Legislature is supreme, the Attorney General has the right, the government has the right not to defend the magistrates but to discipline them.

Mr. Sopha: I did not say that at all.

Hon. Mr. Wishart: Well, you did not use the word "discipline" but to reprimand them, to scold them, to tell them where they are wrong.

Mr. Sopha: That is a good word—scold.

Hon. Mr. Wishart: Yes, quite.

Mr. Singer: Is that a point of order, Mr. Chairman?

An hon. member: No, it is not a point of order.

Mr. Chairman: Does the Attorney General wish to speak on a point of order concerning the member for Sudbury?

Interjections by hon members.

Mr. Sopha: I do not think you listen.

Hon. Mr. Wishart: Yes, I listen.

An hon. member: The member for Downsview is very plain.

Hon. Mr. Wishart: He said the Attorney General is the defender of the magistrates, the defender of their errors. I simply say as I have said before and I will say again, I would not interfere with the judicial independence and their decisions.

Mr. Bullbrook: You say they are right but they are wrong.

Interjections by hon. members.

Hon. Mr. Wishart: When they are wrong they may be appealed from.

An hon. member: You are talking about gold-diggers; talk about simple people.

Mr. Chairman: Order, order.

An hon. member: He is out of order.

Mr. Singer: He is not out of order at all.

Mr. Chairman: Order, the Attorney General has the floor. Any interjections are entirely out of order. If the member wishes to enter the debate he will rise and address the chair or raise a point of order. The Attorney General.

Hon. Mr Wishart: When they are wrong in judgment they may be appealed from. When they are wrong in conviction they may be appealed from. When they are wrong on sentence they may be appealed from. When they are wrong, even on the matter of bail, their assessment of bail or fixation of bail, that may be appealed and the Attorney General has no right to interfere in those matters. This Legislature gives him no right. The law that the Legislature passes determines his rights and his powers as well as those of the judiciary.

To say that the Attorney General is the defender of the magistrate—I would only say this, that the recent actions of the Attorney General in attempting to maintain a respect and proper administration of justice in his dealings with magistrates, I think, should answer that accusation. I agree that the courts are subject to criticism and they receive wide criticism by the public, by the press, by members of this House and by all of us, I think, but there is a proper place where we deal with their judgment—

Mr. Sopha: May I be allowed to ask some questions?

Hon. Mr. Wishart: Yes.

Mr. Sopha: Let me pose a set of circumstances. Supposing one of your servants out in the province informed you that he had become aware that a magistrate was trying people in his chambers without the presence of the Crown attorney, that he adjudicated the case in his chambers—something that conceivably could happen—and he asked you for advice, would you go to the Prime Minister, would you go to the Premier and say, "Look, let us appoint a committee of enquiry", or would you yourself get on the phone or have your deputy get on the phone to the magistrate and say, "Look, this is most improper and it must stop"? Would you not do the second? If you would, then you are doing what I suggest you ought to do.

Hon. Mr. Wishart: Before the hon. member asked the question, which I shall answer, Mr. Chairman, I was coming to the point of saying that we have numerous occasions, quite numerous occasions, where through the Deputy Attorney General and particularly through the chief magistrate—who is appointed for the purpose of conveying our sentiments, our views, our critical comments to the magistrates—this is done. Through the chief magistrate we have quite a number of occasions where we have had to ask him to convey to a magistrate our views that such and such a conduct was perhaps not in keeping with the way that his court should be run.

Mr. Sopha: Why did you not tell us that?

Hon. Mr. Wishart: Well, this is the first opportunity I have had.

Mr. Sopha: Oh, do not give us that story.

Interjections by hon. members.

Hon. Mr. Wishart: I have been listening for two hours to these critical comments and it is the first opportunity I have had.

Mr. M. Shulman (High Park): Nonsense, I asked you that this afternoon.

Interjections by hon. members.

Hon. Mr. Wishart: Well, one only has really—one should only have—I did not realize the hon. members did not know that one of the functions of the chief magistrate, the purpose of his appointment was that he was our man, not a sitting magistrate.

Mr. Sopha: "Our man".

Hon. Mr. Wishart: Our official to convey our views to the magistrates, as we have a chief Crown attorney and as we have a chief judge of the county and district court to express our view to that body of the judiciary over which he is the chief. We convey our views to him on frequent occasions and he passes them down and has interviews, goes and visits the courts, observes the conduct and conveys our views to the magistrates.

Interjection by an hon. member.

Hon. Mr. Wishart: Well, I am not—

An hon. member: You are reckless.

Hon. Mr. Wishart: Well, I am not going to worry—

Mr. Singer: You are not going to worrry?

Interjections by hon. members.

Hon. Mr. Wishart: I am not going to worry about the views of the members for Sudbury and Downsview.

Mr. Singer: Why do you not say what you are doing?

Interjections by hon. members.

Mr. Chairman: Order. The Attorney General has the floor.

Hon. Mr. Grossman: You are going to lose your QC tonight, as sure as anything.

Hon. Mr. Wishart: I am not going to worry about these quibbling semantics.

Mr. Singer: We are going to take him away—

Hon. Mr. Wishart: I do not like to interrupt the hon. member for Downsview if he has something more to say.

Mr. Singer: You do not want to interrupt but you do.

Mr. Chairman: Go on.

Hon. Mr. Wishart: I am not going to concern myself with what interpretation the hon. member for Sudbury places on my expression. Our man conveys our views to the magistrates over which he is the chief. But I do point out that we do this frequently and continuously. That is one of his main functions, to supervise.

Mr. Sopha: I am a reasonable man, but you come in here and defend him unreasonably.

Hon. Mr. Wishart: I will defend their position, I will defend their independence. When I feel that they have downgraded or impugned the administration of justice then you will not find me defending them.

Mr. Chairman: The member for Downsview.

Mr. Singer: Mr. Chairman I have a series of quotations tonight. It is unusual for me to resort to this kind of tactic in addressing the House but I refer at the moment to a quote from G. K. Chesterton in one of his books in a chapter called "The Twelve Men" in which he describes the jury trial through the eyes of a layman:

> And the horrible thing about all legal officials, even the best, above all judges, magistrates, barristers, detectives and policemen, is not that they are wicked—some of them are good—not that they are stupid—some of them are quite intelligent —it is simply that they have gotten used to it. Strictly they do not see the prisoner in the dock; all they see is the usual man in the usual place. They do not see the awful court of judgment, they see only their own workshop.

And I do not think, Mr. Chairman, that G. K. Chesterton could have had a better example in mind than the system of administration of justice in the province of Ontario. I do not think that any one of us on this side of the House would accuse the Attorney General of being wicked. I do not think that any one of us would accuse the Attorney General of not being intelligent. I think our accusation is that he has gotten used to it. He has become accustomed to defending the *status quo* and this is the most heinous sin of all. He has become accustomed to being the apologist for all that goes on in our courts.

He has to defend a Bigelow, he has to defend a—well I will not go on through the list of six or eight or ten magistrates whose names have been brought before this House. He feels that it is his duty to defend them. Surely, Mr. Chairman, in this day and age, the Attorney General would have gained status, he would have enhanced the opinion of the people of Ontario about this government if he said, "I am sorry, occasionally a magistrate makes a mistake." And surely he could have said that, when a magistrate makes more than one mistake, when he makes two or five or ten or 15, "Somewhere along the line it is my responsibility as the Attorney General and as the Minister of Justice to do something to see that he no longer continues to be able to make a series of mistakes."

Surely it passes the bounds of realism and the bounds of a sense of administration of justice to insist that they are the government, and everyone else is lesser than being part of the government. Surely there comes a point, Mr. Chairman, when the man who is charged with the senior position of law enforcement in the province of Ontario should say, "I am going to try to do better." No one is accusing the Attorney General of being a man who is lacking in integrity, or honesty or diligence. What we charge him with tonight, and I think it is a very valid charge sir, is that he tries to defend people who are indefensible. He tries to say that we do have a system of justice that is equal for all of the people in Ontario, when in fact it is not equal. Some people are more equal before the law in Ontario today than others. This is the charge of which I think the Attorney General is accused.

We are not accusing him of venality; we are not accusing him of dishonesty; we are accusing him of lacking the ability to stand before this House and say, "On occasion, some of my officials have made a mistake." I do not believe, as the Attorney General does, that all of these men are beyond complaint, that all of them are beyond condemnation.

On occasion, when the member for Sudbury or the member for Sarnia or the member for Lakeshore or the member for High Park brings before this House an incident, regarding which with justifiable evidence, ordinary people can say something has gone wrong with our system of administration of justice, we would expect that the first person on his feet would be the Attorney General of the province of Ontario to say, "I agree; magistrate X has made a mistake and I condemn him."

We are not suggesting, Mr. Chairman, that the Attorney General has a task of removing arbitrarily anyone who says, "I am not a Conservative, I am not a Liberal, I am not an NDP supporter." We are suggesting that the one feeling that should come out of this Legislature is that the Attorney General should be the man of justice in this province and I just do not get that concept of him. He is the defender. He is the defender of the establishment and this is the thing that sits badly with all of the people of Ontario.

Mr. Chairman: Magistrates' courts? The member for Cochrane South.

Mr. W. Ferrier (Cochrane South): Some of us come from areas where there are a great many French-speaking people in the ridings and we also have a unilingual magistrate. Many of the people who come before the magistrate's court get confused; they do not understand the directions and so on. I understand that this government is moving in the direction of bilingual magistrates and making use of French in the magistrates' courts. I wonder if the Attorney General could report to us what progress has been made, and when we could look forward to bilingual magistrates' courts in the ridings where there is a large proportion of French people, possibly 40 to 50 of the people in my riding would be French-speaking. I wonder if he could give us some idea about that?

Hon. Mr. Wishart: We are aware of the situation, particularly in the northern parts of the province, and we have sought and have appointed a number of magistrates who are bilingual. Certain of the proceedings in their courts may be conducted in French at the discretion of the magistrate. By the law of the land, by our criminal law, if a transcript is required it must be produced in English and until that law is changed we are not at liberty to transgress it. But we do everything possible and there is always, of course, the interpreter provided where that is necessary so that no one suffers by reason of the fact that the presiding magistrate may not be able to understand the person. If they speak any language—any one of several languages—an interpreter will be provided so that they may have a full hearing and full understanding if they cannot understand English in the court.

A number of our Crown attorneys and a number of our magistrates in northern Ontario are bilingual. I am not certain but it seems to me that I have heard of some courts where all parties—the magistrate, the Crown attorney, and the accused person and the witnesses spoke French and the proceedings were so conducted. I am not certain of that, but I believe this has happened occasionally. I think that is all I can say to the hon. member. I could get him further detail on it if he wished.

Mr. Chairman: The member for Sarnia addressed the chair.

Mr. Bullbrook: Mr. Chairman, much has been said about the Bigelow incident and I do not want to dwell unduly on it. In my opening remarks I mentioned at length that incident. Now I read again into the record the concluding remarks of the hon. Attorney General in connection with that incident. He said as follows:

> The magistrate in these cases acted completely within his jurisdiction and in accordance with proper principles which he applied with proper reason and understanding.

The question I put to him right now is, does he still subscribe to the statement he made at that time?

Hon. Mr. Wishart: Mr. Chairman, at the time the hon. member—I am not sure whether he asked that question at the time or not—I was asked a question in the House about the conduct of Magistrate Bigelow, I answered it and my answer stands. It is in *Hansard*. Now this is twice that the hon. member for Sarnia has read it into the record, so I think it is pretty permanently inscribed on the records of the House and I certainly do not intend to change it. I see no need to speak further because at the time I answered the question I read the section of the code which gives the magistrate discretion to weigh the matter and decide whether he should allow time or not.

Mr. Singer: But only after he has heard the argument.

Mr. Sopha: Only after he has heard the evidence.

Hon. Mr. Wishart: So I spelled it out by reading the section of the code. I interpreted it as I thought it should be interpreted and I make my answer the same.

Mr. Bullbrook: If I might, Mr. Chairman, at that time you read to us section 694 (4) a, b, and c. You did not read subsection 5, which I read into the record last Thursday night which places an unequivocal responsibility on the magistrate. It says, "He shall listen to representations by the accused." It does not say "he may". Sir, the point I make is this and really, I recognize we are all at the end of our line in connection with this, but I think in fairness that we must say this. We must have some direct response to this. My understanding of your responsibilities, and I do not always agree, really, with my colleagues, and I do not always agree with you, either, but really you could have done one of three things in connection with this incident. You could have sat silent. There was no responsibility legislatively on you to make any reply at all.

Hon. Mr. Wishart: But I would not.

Mr. Bullbrook: You might not and perhaps I think the better of you because of that. I do; in fact, I think the better of you because of it.

You are a man who will not sit silent. You put forward your position. But secondly, you could have had that man in and discussed his position with him. In effect, Mr. Chairman, what you have done, as I said the other night, is to become an apologist for this man who was most blatantly wrong.

The only time that it really came to my attention was when I sat in my living room at home in Sarnia and read your release, which I was fortunate enough to get. I read those final words that he acted with proper reason and understanding. Does reason mean rationale? Does understanding mean compassion? I suggest to you they mean nothing of the kind. I suggest to you, most respectfully again, you are wrong in law, and secondly, there was no necessity to become an apologist for a magistrate who was blatantly wrong.

Mr. Chairman: On the magistrates' courts, the member for Lakeshore.

Mr. Lawlor: Mr. Chairman, I have two very short and poignant matters I am sure. Before launching into them, may I say that there are many strange diseases among the human race unknown to medical science. However, I discovered one of these diseases while sitting in the House here this afternoon. The disease in question has alternative names, Mr. Chairman. One of them would be called logomochia of the larynx, and in the alternative it could be called diarrhoea of the diphthongs. To whom it applies let it apply.

The questions are short and poignant in this matter. Do not fall into the disease now; stay away, innoculate yourself against its advancement. I would like to know what impact, if the Attorney General feels there is any, what impact—

Mr. Chairman: Order.

Mr. Lawlor: —what impact the legal aid scheme had upon the magistrates' courts in this province. Have you been obliged to expand the number of magistrates under an increase in allocation of legal aid, or what effect has it had, if any?

The second matter that I would wish to bring to your attention has to do with a trial which came before the magistrate's court. This was reported in the *Globe and Mail* of June 11 this year. An 18-year-old lad, his name is not important, ias been in custody for seven months awaiting the hearing of an appeal to reduce his sentence, because the court reporter has not transcribed the proceedings at the youth's trial. The report goes on:

> When it came before the Ontario court of appeal, Mr. Justice Arthur Kelly, head of the three-man court, suggested that the Attorney General's lawyer, Gordon Hachborn, bring some pressure to have the court reporter quickly produce the transcript. He went on to say, "Perhaps some court reporters might probably be summoned before this court for contempt,"

This arises out of your duties in the administration of justice, touching not only this court, of course—the magistrate's court—but others also. This is a particularly blatant example of the activities of court reporters and how they are carrying on their responsibilities. Seven months this lad has been sitting around locked up because he could not obtain bail, and because of some court reporter. The trial lasted 30 minutes. That is far shorter than it takes my friend from Sudbury to hiccough and you would think they would be able to get it down properly. Is this common or what is the role of these court reporters?

Hon. Mr. Wishart: Mr. Chairman, to answer first the question of the impact of legal aid on the magistrates' courts. We have felt it to some degree, but not to any great degree. We have increased the number of magistrates. I believe the number now is five in total—more than existed at the time the legal aid plan came into effect. We are watching the cases and the length of hearings and the impact of the plan. As additional magistrates are required, we appoint them. Of course, I am hoping that the new Provincial Courts Act, which has been passed, will be proclaimed shortly and I would hope to make most of the future appointments under the terms of that Act. The impact of legal aid has not been sudden or overwhelming in any way.

The case of the unfortunate lad who was kept in custody for so long awaiting appeal because the evidence had not been transcribed, was never brought to our attention until it came to the attention of the court. As the hon. member has pointed out, Mr. Justice Kelly quite properly, and I think, if I may say so, very rightly reprimanded those responsible for the situation and that was the first we learned of it. I would say this: Had the situation been brought to our attention

we would have acted as we do in cases of this kind and seen to it that there was no delay, that the reporter attended to his duty.

I have here, as part of our report on the matter, a letter to the assistant Deputy Attorney General, Mr. Russell. It is dated June 20, 1968, and the reporter writes, and I think I should read this into the records:

Re Regina vs. Noelle J. Braeole

Dear Sir:

The above mentioned is the appeal that was mentioned in the press about a week ago. I am now able to inform you the evidence was completed last Monday and picked up by the lawyer, Mr. Burke, on Tuesday. It is most unfortunate that these matters do not come to my attention before the zero hour, so to speak, so that I could arrange to keep the reporter out of court to transcribe, and if that did not produce the desired results, I would not hesitate to bring the matter to your attention.

The counsel for the accused only spoke to me the day before the appeal was to be spoken to in the court of appeal, which was too late for me to do anything.

Since the introduction of legal aid, the criminal fields have increased considerably, as well as the court sittings, and I would respectfully suggest consideration be given to increasing our staff. Thank you for the two reporters you sent for temporary relief. They are in court every day relieving other reporters who are loaded with transcription work.

All of which is respectfully submitted.

This is the senior county court reporter, Mr. Gordon McCowan who gives us this word.

I would just point out that from the content of that letter, it is apparent that that lad had a lawyer. He was represented by counsel and it would appear, and I think this is fact, that the lawyer did not apparently order the transcript—the letter does not use the word "order," but he said he was notified of the need for it just a day before. He only spoke to me the day before the appeal. I take it he was spoken to and asked to have the evidence. Even if it only took a few minutes in court, I think that was too late for a responsible counsel to leave a request for the evidence. I do not think these things occur frequently and if they do and are brought to our attention, we are prompt to act.

Mr. G. Ben (Humber): Is it not a fact, Mr. Chairman, that when you file an appeal you must file proof from the court reporter that you have ordered the transcript?

Mr. Sopha: That immediately struck me.

Hon. Mr. Wishart: This is right. As hon. members know, you must file proof that you ordered it. But you know what that means.

Mr. Ben: It means that you ordered it and the Attorney General knows that.

Hon. Mr. Wishart: The Attorney General knows more than that.

Interjections by hon. members.

Mr. Chairman: I would point out that only one member may have the floor. The member for Humber wishes to ask questions?

Mr. Ben: Mr. Chairman, the Attorney General says he knows more than that, and I say, according to your ruling yesterday, we have to accept whatever the Attorney General says.

Hon. Mr. Wishart: If the hon. member wants to know, I will tell him.

Mr. Chairman: Is the Attorney General on a point of order?

Hon. Mr. Wishart: No.

Mr. Chairman: The member for Humber.

Hon. Mr. Wishart: I guess he does not want to know.

Mr. Ben: I want to discuss something.

Mr. Sopha: Do not leave this, he wants to tell us.

Mr. Ben: Does the Attorney General want to answer? I think that we know that the Attorney General erred in his supposition. Of course he did, because every lawyer in this House—and as my friend here said to me, perhaps everybody except the lawyers ought to leave here tonight, and just let the lawyers fight out these estimates—knows that part of the rules of practice are that you must order the evidence and produce a letter from the court reporter to the court that the evidence has been ordered and you are awaiting it.

Mr. Sopha: That gobbledygook in the letter does not mean a thing.

Mr. Ben: Mr. Chairman, all last evening and most of today, I have been troubled by something that arose out of what the hon. member for High Park drew to the attention of the Attorney General yesterday. That is

the letter he read here about the ostensibly different sentence received by a person pleading not guilty.

The hon. member for High Park looked at it from one point of view and it may be that he missed the other point of view. He took the attitude that those who plead not guilty, and are found guilty, receive a higher sentence than those who plead guilty. Whereas it could be that those who plead guilty receive a lower sentence than those who plead not guilty. It could be that the ones who plead guilty receive a lesser sentence, because all the facts touching their offence have not been brought to the attention of the court.

Not being a lawyer, he may not appreciate that, at least in the jurisdiction of the Metropolitan Toronto area, if a person pleads guilty, usually the Crown simply recites from what is called his "dope" sheet or confidential instructions to the Crown as concisely as possible the facts relating to the offence. And in most cases—

Mr. Sopha: It is a real comedy to watch that too.

Mr. Ben: —because the accused did plead guilty, and he is, in essence, accommodating the court, whether one wants to look at it that way or not, they minimize the offence which took place. Whereas where a person pleads not guilty, the police have to bring forth all the evidence that is at their disposal. And I saw that take place, Mr. Chairman. And this may interest the Attorney General, I was in Oakville magistrate's court about a week or two ago where they have a new Crown attorney, formerly with the RCMP, connected with prosecutions. There the sentences are considerably higher for certain offences than they are in this area.

Mr. Sopha: That does not surprise me.

Mr. Ben: The difference there is that this particular Crown attorney in Oakville—and I do not think this is proper, Mr. Chairman, perhaps the Attorney General will understand why—when informing the judge of the circumstances of the case, went through the whole "dope" sheet and he said, "Mr. So-and-So, a witness, would have said—" and then he would recite a series of facts. Then he would go on, "Another witness, Mr. So-and-So, would have said this or that." I think that is a very dangerous procedure to follow.

I could not interfere there because I was only a counsel waiting to hear my case called, but in essence, he was guilty of giving hearsay evidence, because we do not know whether in fact those witnesses would have said what was on the "dope" sheet. They may have had second thoughts about it and come to the conclusion that they did not see what they reported as having seen and what the "dope" sheet says they saw. Furthermore, there would be someone to cross-examine or contradict the witnesses. So now we are caught in this position, that in one instance, because all the facts do not come out, a person receives a smaller sentence than he would have received or could have received if the magistrate was aware of all the circumstances.

On the other hand, if a person pleads guilty, in many instances he admits his guilt and he wants to expedite his trial. He does not want all the facts to come out because it would paint the picture blacker and make him look blacker in the eyes of his fellow citizens in the community. So where do we draw the line, Mr. Chairman? Somewhere we must draw the line because it is making justice look as if it is not equal, when, on the one hand, a person pleads guilty to careless driving and he receives a $100 fine, and in the next case, a person pleads not guilty to careless driving and there is a hearing and he receives $150 fine or maybe a week in jail. Obviously, it denigrates justice. People do not understand these distinctions. They say there are two laws, one for the rich and one for the poor, one for the pleaders of guilty and another one for the pleaders of not guilty.

Should there not be some rules of conduct to govern the Crown attorneys so that when a person pleads guilty there is a certain type of evidence that is adduced? Perhaps you might follow the system of giving a summary of what all the witnesses would have said, although that again is a dangerous precedent. But something must be done so people do not rise and intimate that there are two forms of justice.

Mr. Shulman: I am sorry, I must rise on a point of order. There has obviously been a misunderstanding of what I said yesterday. What I was objecting to was not the fact that the person pleading not guilty received a greater sentence; what I was objecting to was Crown attorneys threatening a person if he pleads not guilty, they will ask for a longer sentence. This is the point I was objecting to.

Mr. Ben: I think, with respect to what the member for High Park is saying, perhaps he did not read his letter with the due care and

attention that he probably gives to a patient. I think what the Crown attorney said was: If the man pleaded not guilty, he would not raise objection if the counsel suggested a sentence of only three months.

Mr. Shulman: And he went on—

Mr. Ben: He said if he pleaded not guilty that he would have to ask for the proper sentence.

Mr. Chairman: Can we get back to—

Mr. Ben: So in one instance he would be carrying out his function and in the other instance he would be neglecting to carry out his function properly to the benefit of the accused. So I do think, Mr. Chairman, that the Attorney General ought to give some consideration to the circumstances raised by the member for High Park, so that it does not appear, as it would appear from that letter, that there are two forms of sentencing and that the Crown attorneys are in a position to sway the magistrate, because that would go against the grain of what the Attorney General said: that Crown attorneys neither win nor lose. So I think something must be done in this regard.

Mr. Sopha: Mr. Chairman, I wanted to make a remark about this letter read by the Attorney General in the matter of appeals, and put on the record what I conceive to be the accurate procedure. I am sure the Attorney General does not understand this branch of procedure in the court of appeal. I must come to that conclusion, having listened to him.

What happens is that when an appeal on a criminal charge is made to the court of appeal, you must take in with your notice of appeal a certificate of the court reporter that the evidence has been ordered and filed, they will not accept notice of appeal without it. Then after that, the only communication with the court reporter is to nudge him along so that he will complete the evidence. Any communication between counsel for the accused and the court reporter to delay the evidence would be most improper. I would be surprised if the inference to be drawn from that letter is that. You see, I am rather resentful that when I make a point out of personal experience, it so frequently causes an exchange between the attorney and his deputy that provokes great humour in the Attorney General. One does not like to be laughed at.

I make the point that any communication to delay the evidence would be most improper and I cannot understand McCowan's illusion that "defence counsel only spoke to me that day before" about this evidence. The duty of the court reporter, after the evidence has been ordered from him, is to exercise due diligence to complete the transcript. There is no necessity for communication with the court reporter. Having completed the transcript, notice is given to the appellant, that the evidence is completed. It must then be paid for and it must be filed in the court of appeal, a copy delivered to the Attorney General who is responding on the appeal, and that is it. It has nothing to do, as Mr. McCowan says, with a communication on the day before. Mr. Justice Kelly properly reprimanded them, because apparently due diligence had not been exercised in completing the transcript of evidence in this case. Now the one group that fools around with transcripts is the Attorney General's department, in the ordering of them.

Not long ago, months after a case had been disposed of in the high court, a person went to jail for 30 days, and he had served the sentence. The matter was put away, he had rejoined his employment. He was once again in society. Suddenly, across my desk, came a notice from the registrar of the court of appeal, "that the evidence in his case had been completed, and would I send my cheque for $116.30, and the evidence would be sent to me." I was rather astonished at this, but when I discovered what had happened was that the Attorney General's department, long after the case was completed, had ordered the evidence. No doubt it was a collector's item with them. They wanted it for the archives or something. Having ordered the evidence, I got the bill for it, and they asked me to send my cheque in. I suggested that they bill the Attorney General, and maybe in his estimates he can find the money somewhere to pay for it. I hope he got that evidence. I hope it is in a suitable place in the library. Maybe they are collecting a dossier on me. I do not know. They want all my cases in there, maybe. I will never know what the reason for that was, that they ordered the evidence in the case. I will tell you the name of the case so they will not be scrambling around, Regina and Dionne.

Hon. Mr. Wishart: Was the client not released while you appealed?

Mr. Sopha: I was not appealing.

Hon. Mr. Wishart: What did you want the evidence for?

Mr. Sopha: I did not want it.

Hon. Mr. Wishart: Who ordered it?

Mr. Sopha: You did.

Hon. Mr. Wishart: We got it.

Mr. Sopha: I got the bill.

Hon. Mr. Wishart: You did not pay it.

Mr. Sopha: Yes, I did not pay it. I said, "Sue the Attorney General." You have the evidence; I have not even got a copy of it, so I merely say this—it is indicated what the Attorney General has said in reference to this case raised by the hon. member for Lakeshore. That he is totally misinforming and misunderstands the way these things work in the court of appeal in relation to the ordering of evidence.

Mr. Chairman: Juvenile and family courts.

Hon. Mr. Wishart: No, we are not through with magistrates' courts, yet. I do not know about the error that somebody sent to the member for Sudbury, who happened to be on the defending counsel. I do not know that I need to discuss that. Errors of that type can happen, and perhaps the Attorney General's office did order the transcript for some reason or other to observe it and this is done not infrequently.

On the question of the ordering of the transcript on an appeal, I am sure, I am certain, that the hon. member for Sudbury and the hon. member for Humber and the hon. member for Downsview and any other lawyer who has any practice, knows that it is not at all infrequent. In fact, it is very usual for the counsel to speak to the reporter and say, "I am going to appeal. I will be needing a transcript of evidence." He gets a certificate that that has been done, and many, many occasions he says, "Now do not hurry with it." This is right.

Mr. Sopha: My goodness!

Hon. Mr. Wishart: Oh, you are not shocked?

Mr. Sopha: I am indeed deeply shocked.

Hon. Mr. Wishart: Do not give me that. You know very well, that quite often it is said: "You do not need to hasten the preparation of that transcript." This happens very frequently; it is done quite often. I know it and I am sure that my friends know it.

Mr. Sopha: I want to assure the House without equivocation that this is the first that I have ever heard of this practice. I have never heard of it. I have, of course, never prosecuted an appeal that it did not go forward *bona fide* with the intention that the appeal be heard. I have, on many, many occasions, heard from court reporters that they were deluged with work and they were not able to get around to the transcription of this particular case and they apologized for not being able to provide the transcript.

I will tell you what I have heard of in the magistrate's court in Toronto, and that is that people who are convicted of impaired or drunken driving and lose their licences automatically under The Highway Traffic Act, arising out of the conviction, file a notice of appeal in the county of York for a trial *de novo*, with the intention of not prosecuting it, knowing that the county court of York is so deluged with this kind of work that it will be a long time in the future before it will be heard.

But, of course, being a country, boondock, yokel type of lawyer, we hear of the esoteric practices that happen in Toronto that do not occur in the boondocks. It has always seemed to me one of the fortunate things about living out in the broad expanse of this province that many things that apply in Toronto do not apply out there, to our benefit and betterment.

Maybe, in that sense, there is a different law in Toronto from the other areas of the province.

Hon. Mr. Grossman: Now the hon. member for Downsview must get 15 minutes for rebuttal.

Mr. Singer: I am going to get the floor—

Mr. Sopha: For one thing, and in that connection I am not trying to be frivolous, it is well known that the system of legal aid in the province worked fairly well in the boondocks and it served those unable to provide counsel. Where it broke down was here, in Metro Toronto and Ottawa and some of the larger centres. But as a result we had to revamp the whole system because when something goes wrong in Toronto in the administration of justice, the whole system has to change to accommodate Toronto. That is not always to the good.

Hon. M. B. Dymond (Minister of Health): Perhaps the good lawyers are out in the boondocks?

Mr. Sopha: Maybe they are. Good ones like the Attorney General, and the Chairman of the House.

Mr. Chairman: Order, please!

Mr. Sopha: There are some good ones in Toronto, too, such as my friend from Downsview. But I would say finally to the Attorney General that if he is aware of this going on in the court of appeal, then it is certainly his duty to put a stop to it. I am not at all certain that knowledge of the practice by any person who uses or misuses the court of appeal in that way, is not a proper case for report to the law society.

Mr. Chairman: You are out of order when you reach this point.

Mr. Sopha: We are reverting to the very thing raised by the Attorney General.

Mr. Singer: Mr. Chairman, my colleague from Sudbury has opened up a very good avenue for discussion. One of the things that we have failed to recognize in our whole system of administration of justice is the difficulty of being able to cope with the technological advances that we have made in transcribing or inscribing of the words that are spoken in the court room onto a record and the processing of that record so that it is made available to lawyers and superior courts.

As this technology has developed it has been very difficult, if not impossible in recent years, to do the job efficiently and promptly. Certainly in the metropolis of Metropolitan Toronto – apologies to my colleague from Sudbury–the task of attracting to the occupation of court reporters bright young men and ladies who are prepared and able to transcribe the records promptly and accurately, and being able to transmit them for use in appeals at a later date, is a difficult one. One of the most serious delays in the processing of appeals, and I am surprised that the Attorney General did not point this out earlier, is the inability to provide the transcript of evidence that has to go forward in an appeal.

Somewhere along the line I would have hoped that the Attorney General would have been able to say–either as a result of the technological advances that we have been able to make in the province of Ontario, in Canada, in North America, in the world–that there are new techniques which will allow the processing of transcripts of evidence or records of what has happened in the lower courts to make them available for the superior courts by a better method than now exists. Unfortunately this is one of the hurdles that has faced lawyers who are anxious to proceed on to appeal and that is the delay in this supply of evidence.

This has resulted on many occasions and in the incarceration in our jails of people who are placed there pending the hearing of an appeal. And I would have hoped that the Attorney General, with all of the facilities available to him, would have been able to tell us either that he has evolved a system of attracting to our judicial system a group of young people who are anxious and eager and able to participate in the profession of being court reporters, or he was able to advise us that the new technological advances have proceeded to the stage whereby we could produce the report by other means than transcribing by written hand of the efficient and skilled court reporter. Or that he has evolved some other system which would enable us to process this kind of legal procedure–a most important kind of legal procedure–more efficiently and more capably. This is one of the matters really, that does not just touch on our criticism of the efficiency of our judges or the efficiency of our administrative procedure or the efficiency of our sentencing procedures, and that perhaps one could describe as a mechanical matter. But it is a most important mechanical matter, and we are unable today, insofar as my experience indicates, to produce either a sufficient core of capable court reporters who are able to turn out reports with speed and alacrity and accuracy, which are available in a reasonable time to the superior courts, or to provide an alternative means as a result of our technological advances to replace this. I would hope that the Attorney General, being the Attorney General of an advanced province as he is, would have been able to tell us why this delay has to continue and perhaps become aggravated.

I am sure he is aware that there was a threatened strike of court reporters. I do not know if the strike actually took place. It took place maybe for a day or two here in Toronto. The reporters who were serving the special examiners, went on strike and lo, and behold, our whole court procedure had to be packed up. Eventually the special examiners–the people who went on strike were not the special examiners, they were the reporters for the special examiners–arrived at a settlement with their reporters and the judicial process continued, but the strike lasted for those few days here, and it was not too long ago here in Toronto. The whole procedure of the courts packed up because we were unable to produce examinations for discovery and all

the other transcripts that are so important to our legal process, because there was no one to transcribe them.

Hopefully with all of the facilities available to the Attorney General, he should be able to tell us, perhaps now, that there will be some new system evolved either for replacing this manual process by new technological advances, or that there would have been some system evolved for training new court reporters who would be available and anxious and eager to do this job that is so important to the whole administration of justice.

Mr. Shulman: I would like to make a suggestion from my own experience with the different courts, that perhaps there is a solution to the problem. The problem, as I understand it, is that court reporters are overwhelmed with work. They are busy during the days in the courts and they find difficulty in getting the transcripts produced as rapidly as is necessary. We ran into the same problem with the coroner's office, and solved the problem to a large extent by going over to a tape-recording machine. I would like to suggest to the Attorney General that perhaps the solution in the courts would be to use tapes.

Tape can be duplicated in three or four minutes and you could have a certification from the court reporter that this is a certified copy and then the lawyer involved could have it typed up in his own office, so that he would have the information available to him. If there was no rush, of course, the court reporter could type it up, but when a transcript is needed in a matter of a day, it could be done that way very quickly. I would like to pass this suggestion on to the Attorney General.

Hon. Mr. Wishart: I might perhaps make a brief comment here, Mr. Chairman. We have given this matter study and I do not know whether the hon. member for Downsview would be interested in what I have to say or not.

Mr. Singer: Oh yes. Yes, I certainly am.

Hon. Mr. Wishart: We have given this matter considerable study and Mr. McRuer has made some suggestions for the training of court reporters. We have looked at the automated types of transcription that can be used and in several of the magistrates' courts they are now in use. Some of the judges have resisted the installation of these aids in their courts. I noted when I was down in Ottawa before the national energy board that there they are using the stenomasks, which combine the person with the mask and a dictaphone type of arrangement, not the tape. The tape alone, our studies indicate, does not work satisfactorily, because it does not pick up the interjections, and that is why we have this young lady sitting here in this House—because the mechanical system does not pick up everything. You have to have a person as well. That is our conclusion and we have some plans to assist the courts by providing some good system as soon as we can work it out and get the court to go along with our system. I think that we will be able to report progress. As I say, it is used in a good number of court rooms now.

Mr. Chairman: The member for Port Arthur—

Mr. Shulman: I would just like to remark, in light of this suggestion, Mr. Chairman, that the operator of the tapes of course sits beside the tape, and if there is an interjection from some other part of the court, he can push a button which puts a little jigger in the tape and he writes down the interjection which is later added to the tape.

Hon. Mr. Wishart: Mr. Chairman, I would like to suggest to the hon. member that he should listen to the mechanical reproduction of the proceedings of the House at a time when there are six interjections at once; I do not know how they get them all. But the person speaking in the stenomask can pick up nearly all of that and get it on record if necessary.

Mr. Chairman: The member for Port Arthur.

Mr. R. H. Knight (Port Arthur): Thank you, Mr. Chairman. I am not a member of the exalted legal profession but I have been a member of the exalted news corps of the province for some years, and as such I have had the opportunity to sit through some hundreds of hours of magistrate's court hearings. One of the things that has bothered me has been the inequity in the punishment that is meted out for impaired driving in this province. I do not think that it is right that a person should be deprived of his livelihood for the crime of impaired driving. And yet we find that two men convicted or pleading guilty of impaired driving do not necessarily get the same punishment. I think this is contrary to the basic policy of equal punishment for equal crime.

The man who uses his driver's licence simply to drive a car for pleasure or to work will not feel the pinch as much as the man who must have a driver's licence to

earn a living. I think that it is about time that we found a way of equalizing that inequity. I would like to propose that a driver who must use his driver's licence to earn his living be deprived of his general driving privilege but that he be given as a substitute a licence permitting driving only to make his livelihood. In other words, if he is a truck driver, he gets a licence that says you can only drive while you are working. I do not know whether this has been considered, but it is definitely worth it, because the law as it now stands is unjust and unfair, that one man should lose his livelihood, while another man merely loses his driving privileges, for the same crime.

I have been wanting to get up and say this in an arena where it would do some good for quite some time. I have seen it happen within my own family and with good friends, who were punished far more for the same crime, than another person who is not dependent upon the right to drive for his living. I think that this does not hold water, this business of depriving a man of his driving rights, unless you put in this equalizing factor. I would like to reiterate that I think if a man needs his licence for his living, then he should be permitted to drive for his living, but be deprived of the other general driving privileges that the other drivers are deprived of. I wonder if the Attorney General would comment?

Hon. Mr. Wishart: There is some merit in the suggestion, but there is now, on the second half of the suspended term, the right to obtain a restricted licence. The magistrate may grant that under The Highway Traffic Act. The right is often applied for and obtained. Just to argue that because one man uses his car for work,—

Mr. Ben: Is the Attorney General not misleading the House? Is it not a fact that you can only apply for a daylight licence if you have already had your licence suspended for three months mandatory? Perhaps the Minister will correct the record?

Hon. Mr. Wishart: I said for the second half, or part of the term.

Mr. Ben: What if your licence was suspended for three months?

Hon. Mr. Wishart: Yes, you can only get it if your licence is suspended for more than three months. Now, to argue that because one man uses his car in his employment and the other only uses it for pleasure, that the sentence is inequitable, perhaps in fact, the result is that it is the same sentence that is delivered by the court in the application of the law and one could use that argument to say that perhaps the professional man—if I may take a lawyer—convicted of an offence, let us say a theft, is, let us say, given a sentence of six months or a year, and a person not employed in that profession, who is employed in some other way, can go back to his employment. The lawyer is ruined as a professional man, probably for life, in that profession, so one can make out, if one pursued that line of argument, that there is no perfect equity or justice, it depends on who gets the sentence.

I do not think that you can achieve a perfect answer to that question. I do not know how one would say that you could frame a law to say that if a person uses his car for his employment he is to be given one sentence, although he was impaired, and the fellow who uses the car for pleasure only should get a more severe one. I think this would be a most difficult and impractical thing to achieve and I do not think it would be justice.

Mr. Knight: Mr. Chairman, if I could just pursue this a little bit further. I think if we checked the welfare lists in this province and find out why people are there, I think you will find an awful lot of cases where a man who is possibly going along quite well in a job, suddenly was convicted of impaired driving and lost his driver's licence for three months and thereby lost his job and did not get back on his feet again. That is just how severe this punishment is and this is why I say I think it is worth singling out—I do not care how it looks in the books or in theory or anything else—I would just like to look at it from a plain practical point of view.

It is not right to take a man's livelihood away. You take away the livelihood of one, the other you just take away his driving privilege, and I do not see where any harm can be done where a fellow is allowed to have a special licence just to do his work, to bring home his bread and butter, because otherwise you are not just punishing the driver, you are punishing the whole family, and the worst part about it is that the court, the magistrate does it in full knowledge. He knows, at the moment he is depriving this man of his driver's licence, he is depriving this man of his livelihood. He may now be condemning this man to a whole life of welfare because once this job has been lost, and the notoriety that is connected with it, he may never get on his feet again.

I know cases like this and I think the matter should be looked into very seriously and I think we should bend over a little—

backwards if we can—because if a man goes on the welfare list, he is not going to pay for his crime, we are. Society is going to pay for it, and I think there should be some area of justice where we can give him a little break, at least to have his licence to do his work.

Hon. Mr. Wishart: Mr. Chairman, there is a great outcry which has been prevalent in our society and is growing every day, about the person who drives under the influence of liquor, who is impaired by alcohol. We have debated in this House, and it is debated in our publications, about the danger of allowing this situation to continue and we debated the question of taking blood tests.

In Britain, which the hon. member for Sudbury says is ahead of us in many respects in its approach to these matters, they have the compulsory test and they have made the alcoholic content which indicates impairment quite low—lower than we have perhaps considered thinking about in this country. I would ask the hon. member to remember that the man who drives in an impaired condition is threatening, by the use of his motor vehicle, the lives of other persons; the public are concerned. He is committing what is considered a very dangerous act.

I do not believe we are going to meet with much approbation if we say that because he uses the car to make his livelihood he is any more entitled to endanger the lives of the public on the streets and highways of this country. I do not think we can start to give him consideration in this serious type of thing when we are seeking means to prevent that sort of act being committed on our highways.

As I said before, I do not think you can distinguish between the condition of persons who come before the courts—the wealthy man or the poor man, the man in one profession or the other, or the man in one avocation or the other—and say that the one profession shall be treated differently; the man who makes his living as a clerk or a steelworker or a miner shall be treated differently from the man who makes his living as a lawyer going downtown. I do not see how you are going to draw laws to that effect, but I think that the whole matter is too serious to start letting down our approach to this very serious problem.

Mr. Chairman: The member for Humber.

Mr. Ben: Mr. Chairman, if I may dwell on this matter of ability impaired for a while as it appertains to magistrates' courts. I am sure the Attorney General knows, Mr. Chairman, that there is a misconception among the public as to what the offence of driving while one's ability is impaired involves. Many people will argue with you until the moon does turn blue or to cheese that they were completely capable of operating the motor vehicle. They do not understand that a person can be convicted of driving while his ability was impaired even though while under that impairment he was still a better driver than 75 to 90 per cent of the populace.

The fact that his ability was impaired simply means that he could not drive as well in his condition as he could if he had not imbibed alcohol. There is always the possibility that a person who has imbibed, or who has even taken a test and come out with a reading of 1.5 that it is not necessarily dangerous because a person who does have a reading of 1.5, and who is, in fact, impaired according to our law as it now stands, could still be a better driver than many nincompoops that are on the road.

I challenge anyone here to get up and say that he has not had a complaint such as this, and that is that he was proceeding along—he had been drinking, but one of his lights was out—and a policeman out of courtesy, stopped him to warn him that one of his lights was out. When he spoke to the policeman, the light being out no longer had anything to do with the situation. He was now charged with ability impaired because he smelled of alcohol.

When you get into court the policeman will repeat those magic words, "Your Honour, his speech was thick, his eyes were glassy, he smelled heavily of liquor and he was unsteady on his feet." You cannot beat that combination, it is like abracadabra poof.

An hon. member: Like presto chango.

Mr. Ben: That is the magic word; you just cannot beat it. The policeman will get up and say, "Your Honour, his pupils were dilated." I do not see how they could help but be if they had the guy in dim light, because normally if you put a person in dim light it is natural that his pupils will dilate. If you put him in strong light the opposite effect takes place, and I have never known the police to turn a spotlight on a person to check to see if his pupils were dilated or not. They give you these tests of touching the finger to the nose and it strikes me that very often he will get up there and say, "He was expert with his left hand but he was no good

with his right hand," or vice versa. One would suppose that if his ability to touch his nose with his finger tips was impaired, it would be with both hands.

Mr. Sopha: No. no. That proves he is left-handed.

Mr. Ben: Well, if he could touch it with one hand, then there might possibly be some reason why he cannot touch it with the other hand. Perhaps the other hand does not have as much dexterity. But it does not make any difference; as long as he made an error with one hand, the policeman is happy.

Unsteady on his feet? The poor guy may have been working all day. I recall one instance where, in an appeal by way of *trial de novo,* while a policeman was giving evidence of these tests, the counsel for the accused asked the policeman giving this evidence to walk heel to toe and he could not. He asked him to touch his nose to carry out this test and he could not. Now, there was no evidence whether counsel went up to the witness and smelled his breath, or whether his pupils were dilated.

In Detroit, Mr. Chairman, the police department purchased a camera and they took motion pictures of the accused carrying out the series of tests. I think that what the Attorney General's department must do is purchase these cameras for every police department in this province. Too many citizens say, "I was able to pass the test; I walked straight, I did the turn test, I was able to pick up the coin, I touched my nose, I did everything perfectly," but he has not a snowball's chance—he has not the chance of a calico dog with elephant's legs trying to catch an asbestos cat running through a fire.

If a policeman says he could not do those tests—amen, that is it. Just as my word is no good against the Attorney General's word, according to the Chairman in this House, so the word of a citizen is no good against the word of a policeman in a magistrate's court. There must be some protection for the citizen and I suggest that a motion picture camera taking a picture of these tests and flashed on the screen in a magistrate's court would settle the argument.

As a matter of fact, in Detroit, they have found out that many citizens, when they were shown films of the tests, simply pleaded guilty because they said, "Oh, my God, it cannot be me." They also appreciated how they did look to somebody else's eyes in their state of intoxication. So it has a two-fold purpose. It would protect the innocent and it would teach the guilty a lesson.

I would suggest very strongly, Mr. Chairman, that the Attorney General give consideration to doing this. I suggest that the Attorney General's department do that because there are many small departments who cannot see their way clear to purchasing these cameras and that is why we suggested it be done by the Attorney General's department.

I could say that in a city like Metropolitan Toronto, perhaps the metropolitan police department could supply its own cameras for certainly it would be a safeguard of the accused's rights. I would also say with reference to the breathalizer tests, may I have the comments of the Attorney General now?

Hon. Mr. Wishart: I am interested in the remarks. All I can say is that I will make a note of it and take it into consideration. It is a new thought to me, quite frankly.

Mr. Sopha: May I ask the Attorney General, for those of us reading the press, who cannot understand what is going on, what the situation is in Great Britain right now in respect of the application for the extradition of Myer Rush?

An hon. member: The what?

Mr. Chairman: The matter has been returned.

Hon. Mr. Wishart: Do not obstruct. Why should there be obstruction? It is a perfectly legitimate question.

Interjections by hon. members.

Mr. Chairman: Order! Under the debates of the supply committee, we are dealing with The Department of the Attorney General, magistrates' courts, and the member is suggesting that there should be no restriction and that we should permit any sort of a question. I rule the member's position entirely out of order. Magistrates' courts.

Mr. Sopha: I want to rise on a point of order, now and respectfully draw to your attention that vote 207 deals with the administration of justice, including the prosecution of the criminal law.

Mr. Chairman: We are dealing with magistrates' courts.

Mr. Sopha: Well, the vote—

Mr. Chairman: The member for Downsview.

Mr. Sopha: Can I not appeal to your good sense to permit this question under this vote?

Mr. Chairman: I do not see how in the world it can possibly come under the magistrates' courts.

Mr. Sopha: It deals with the administration of justice in the province. The Attorney General was about to reply when you successfully intervened to prevent him.

Mr. Chairman: Not with magistrates' courts.

Mr. Ben: Mr. Chairman, may I ask how much money has been allowed in the estimates to pay the fees of the counsel in Great Britain who is acting on behalf of a government department of Ontario in the matter of the extradition of Myer Rush who is a fugitive from the magistrates' courts of the province of Ontario? May I also ask what progress this counsel, who is being paid by the money of the taxpayers of Ontario, is making? Now do not tell me that is out of order because it deals right with this topic.

Mr. Lawlor: It is completely out of order.

Mr. Chairman: It has nothing to do—

Mr. Ben: That is what I am asking. That is exactly what I asked. How much money is being allowed in these estimates for that?

Mr. Chairman: That is entirely out of order under magistrates' courts.

Mr. Sopha: Presumably, when he gets here he is going to be tried in a magistrate's court. He is a fugitive from a magistrate's court. Is that not so?

Hon. Mr. Wishart: He is a fugitive from the high court of justice.

Mr. Sopha: He has absconded his bail in respect to the charge now pending in a magistrate's court. Is that so?

Hon. Mr. Wishart: I prefer to respect the ruling of the Chairman, much as I will be glad to answer the hon. member. I think that is fair and proper.

Mr. Ben: You think the ruling is right?

Hon. Mr. Wishart: Certainly this has nothing to do with magistrate's court.

Mr. Chairman: I do not think it is up to the Attorney General to indicate whether or not he thinks the Chairman's ruling is right. In the opinion of the chair, the member for Sudbury asked—

Mr. Ben: The Minister is the servant of this House and should advise the Chairman.

Mr. Chairman: Order, please! Surely to goodness the members will at least recognize the fact that there is a Chairman and when he is trying to straighten out a matter of order will they surely let him attempt to do so.

Mr. Sopha: Could I make this suggestion, that when we finish all the items and we get down to the end of this vote, which is probation services branch, before the whole vote carries, any questions outstanding in respect of the vote—the administration of justice in the province—might properly be asked as long as they are not repetitious.

Hon. J. R. Simonett (Minister of Energy and Resources Management): No.

Mr. Sopha: I will go even further; I say to my good friend, the Minister of Tourism and Information, through you, that I am willing to qualify it—as long as they relate to matters not heretofor raised.

Hon. Mr. Simonett: Yes, but you were not here—

Hon. J. A. C. Auld (Minister of Tourism and Information): Mr. Chairman, Myer Rush may become a tourist; we will go back to my estimates.

Mr. Sopha: We cannot allow that to pass, that interjection of the Minister of Energy and Resources Management.

Hon. Mr. Simonett: What is the point of order?

Mr. Sopha: I am now raising a point of order.

Mr. Chairman: Order! The interjection is entirely out of order and there can be no point of order on—

Mr. Sopha: Yes, it was scurrilous; beneath the dignity of an hon. member.

An hon. member: Nonsense!

Another hon. member: Also a Minister of the Crown.

Hon. Mr. Simonett: Was I wrong in my statement?

Mr. Chairman: As far as the Chairman is concerned, I have ruled that the matter introduced by the member for Sudbury does not come under this estimate, magistrates' courts.

Mr. Sopha: You did not respond to my query which I most courteously addressed to you. Could it be raised at the end of the vote?

Mr. Chairman: No. This point was raised earlier in the session, in committee of supply, whether or not questions of this nature could be left until the end of a particular estimate. The Chairman quoted the authority and ruled that this was not in accordance with the rules of the House and that we would take the votes in order as we came to them. So if it does not come under magistrates' courts, I see no reason or no manner in which it could be introduced at the end of the estimates.

Mr. Sopha: All right. Let me just say this again. As I understand it, Myer Rush presently is a fugitive from a magistrate's court, where the Attorney General properly wishes to bring him. Now, is that not a sufficiently cogent connection with the voting of money for magistrates' courts in order to raise this query?

Mr. Chairman: I do not see how it has any relation to the general operation of the magistrates' courts.

Mr. Sopha: What they do in the courts is certainly relevant and one of the things—

Mr. Lawlor: You can get it under vote 210.

Mr. Sopha: Vote 210, yes.

Mr. Chairman: If there is a place in the estimates in which it may be discussed, the Chairman would like to assure the members I do not want to restrict it but surely we can keep order—

Mr. Sopha: How about vote 210?

An hon. member: Police commissions?

Mr. Sopha: He escaped from the police.

Mr. Chairman: I ask the Attorney General if there is any place in the votes beyond magistrates' courts wherein this matter could be introduced properly?

Hon. Mr. Wishart: Mr. Chairman, my opinion would be that the only place this could have been raised properly was in the vote on criminal law division which was vote 206.

Mr. Sopha: Crown attorneys allowed him to escape?

Hon. Mr. Wishart: No. As the hon. member knows, I am quite willing to answer but I want to abide by the ruling of the Chairman. He has asked me where it should be asked, I tell him in my opinion, vote 206.

Possibly vote 211—the provincial police. I do not know whether we could relate it there but possibly we could. I hope we can get there tonight, to that vote, you might get the answer.

Mr. Chairman: In other words, the Attorney General has indicated that there is no place properly other than possibly under the criminal law division where the matter might have been raised. Now if the member would just permit the Chairman to proceed.

I recall that last evening the member for Sudbury did put a point to the Chairman whether or not he would restrict the debate on vote 206, which is the criminal law division. It seems to me that in view of the Chairman's suggestion last night that he would not restrict anything that properly came under vote 206 or vote 207 as long as it was not repetitious, perhaps it could be permitted.

Mr. Sopha: Fine. Thank you very much. Could I ask the Attorney General to inform the people of Ontario just what is happening in respect of this application before the courts of the United Kingdom?

Hon. Mr. Wishart: Mr. Chairman, my understanding is that our approach was to seek to bring Myer Rush back here with proceedings under The Fugitive Offenders Act, which is akin to the extradition proceedings between foreign countries—between countries that are foreign. The matter has been adjourned until July 15. I read in the newspaper today that Myer Rush is in custody, having been unable to raise bail.

Mr. Shulman: Mr. Chairman, just one point on this matter since it has come up. I note in the newspaper that Mr. Rush offered to return voluntarily and the Ontario government refused this. May I ask why?

Hon. Mr. Wishart: He only offered; we did not refuse to have him come back. We were glad to have him come back but he only offered to come back if we would withdraw our proceedings and we did not feel that we had quite enough security in his word to accept that proposition.

Mr. Pilkey: Mr. Chairman, I would like to get back to the question that was raised by the hon. member for Port Arthur. On this question of an employee losing his job because of court action. I think that it goes just a

little further than the question of taking a licence away from an employee who is employed in the trucking or in the driving industry.

In many cases, in my opinion, workers in this province are placed in double jeopardy because of the implication of the sentence that they may receive in a magistrate's court and not just the question that the hon. member raises here. In some cases an employee or a worker is found guilty of drunkenness and given seven days in jail and his job is in jeopardy there, too. He does not show up for work. He cannot show up and so his job is in jeopardy and in many cases he is discharged, where a person with a more serious crime could receive a fine.

Not only does he have to pay his debt to society as we know it under the law, in addition to that, there are many areas where he loses his employment because of it. I know of many cases where employees have lost their jobs.

It seems to me that there should be something done in terms of the law in the province of Ontario, where there are implications or complications involved when a person is given a jail sentence. I think this is the point that the member for Port Arthur raises. I would think that if the law was going to be meted out on some basis of equality, then these implications should be taken into consideration. Because I do not think firstly, that these employees or these workers should be placed in this position of double jeopardy. I have got no brief for people that are driving in an intoxicated fashion, because many lives are lost in this province and there have been some very serious accidents because of people driving in an intoxicated fashion. So, I have no brief for that, but, by the same token, I do have some compassion for those people that find themselves, as I pointed out, in a position of double jeopardy.

I would think that this province, through the law, ought to be taking some position or some action to protect the jobs of the employed. Because, as I have said on previous occasions, in this House, it is not only the worker that suffers because of this crime or the jail term or the fine that he receives, but it is also his family. His family suffers and so that if there is some area of compassion that can be used, and at least preserve the worker's equity or the citizen's equity in terms of his job, then we ought to be looking at it.

This government should be looking at that aspect of it, not relieving him of the penalty that he has to pay to society. I think that he owes that debt and we all have to pay it if they are found guilty. But by the same token I think there ought to be some areas where his job is preserved.

Mr. Ben: Mr. Chairman, I was looking through some notes that I have, for I too, was, for a while, engaged in the same occupation temporarily as my friend from Port Arthur.

I had occasion to do a little editorial on this question of sentences. I quite appreciate what my friend from Port Arthur and the hon. member for Oshawa are trying to say. But they must, however, keep in mind that at one time suspension of a licence was not mandatory. But the number of offences involving the use of liquor, and then the subsequent driving of an automobile, and the injuries and deaths resulting for such operation, came to such a scandalous number, that the law had to be changed and more strict sentence imposed; not just for the protection of the public, but also for the protection of the family of the operator, in that, if he got killed, his family would suffer.

It is quite true that the family might suffer if the man goes to jail, or if he loses his licence, but they suffer a lot more if he kills himself by driving while his ability was impaired. In Detroit for instance, a jail sentence was mandatory—the first time the person was convicted while ability was impaired. In Sweden if you have a blood/alcohol reading in excess of .5 per cent you go to jail.

Now that may be a strict penalty, but in this little talk I gave on radio, Mr. Chairman, I also pointed out that in many instances, sending a person to jail punishes his family in society more than it does the miscreant. I suggested at that time, that perhaps what we ought to have is weekend jail sentences. In other words, the accused, when convicted, could be sentenced to spending so many nights and/or weekends in jail. If he got a 60-day sentence, he spends his nights in jail and in the morning he leaves the jail and goes to work and in the evening he comes back and goes to jail. He could do that over a weekend and this way he is punished. His job is preserved. His family still gets their bread and butter. He is still a breadwinner. He has got some respect among his children. He is still earning their bread and butter and they are not on welfare.

The Attorney General should give some consideration to permitting magistrates to hand out sentences of incarceration—overnight and during the weekend.

Hon. Mr. Grossman: Mr. Chairman, if the hon. member will permit, has he read the new Correctional Services Act? If he reads the new Correctional Services Act which was proclaimed July 1, two days ago, he will find that just as soon as the federal government re-enacts the legislation which died with the dissolution of the federal House under Bill C195, this is precisely the kind of an operation which we will have in Ontario.

Mr. Ben: I am aware of that but would point out to the Minister of Reform Institutions that The Correctional Services Act will not automatically bring this situation into being. It is predicated on certain other legislation being passed in other jurisdictions.

Hon. Mr. Grossman: It would have to be—

Mr. Ben: No. The Attorney General here, I think, could give the lead to the magistrates to impose such kind of sentences.

Hon. Mr. Grossman: Well, would not the hon. member agree anyway that magistrates do not have the machinery to go into the background of persons before them being charged before them. Whereas the correctional services branch would be set up for this sort of thing and be able to judge the background of a person and whether he in fact could be trusted with this sort of a programme, and so on. This is precisely what is planned under the new Act and I hope the hon. member will read it in detail. We hope that the federal government will re-enact this just as soon as they meet and perhaps have this under way before this year is out.

Mr. Ben: I could not care a tinker's damn, Mr. Chairman, who exercises this function, provided it is done—whether it be part of the correctional services or the Attorney General's department or The Department of Financial and Commercial Affairs or The Department of Health or The Department of Transport. For me, it is immaterial, as long as it is done.

Hon. Mr. Grossman: Well, the point I was making, Mr. Chairman, is that provision has been made in our legislation, but we must have federal approval.

Mr. Ben: It is permissive legislation providing something else is done in another jurisdiction and maybe it will not be done for years.

Hon. Mr. Wishart: I am sure that the hon. member realizes that we cannot deal with a federal offence in the type of sentences given —and impaired driving is that—we cannot do that as a provincial jurisdiction without the federal legislation to complement and permit it; that was what the bill in the federal House was going to allow when the House was dissolved. I feel confident they will get back at it and do it very quickly when the House is resumed, but the province has no authority to start tinkering with or amending, federal legislation, which is the criminal code, that makes this offence and which affixes the penalties. We have no jurisdiction to touch that, unless we have a permissive act from federal jurisdiction.

We could do it with a provincial Act with a provincial offence, but only within that jurisdiction. That is as far as we can go.

Mr. Ben: Mr. Chairman, on that point I appreciate that you cannot legislate in the field of criminal law, but the suspension of a person's licence upon conviction for certain driving offences is a provincial penalty. It is not a federal penalty. The suspension of a person's licence for operating a motor vehicle while one's ability is impaired is a penalty that is imposed by The Department of Transport, not by the federal government. This is what gave rise to this discussion, a statement of my colleague from Port Arthur, pointing out that a person who depends for his livelihood on his licence, is, in the words of the member for Oshawa, "in double jeopardy." Now there are many instances, and many driving offences where the penalty imposed is a provincial penalty; failing to report, careless driving.

I am suggesting that it might be possible in instances of convictions for driving while one's ability is impaired, or for other offences where The Highway Traffic Act provides for the suspension of one's licence, to empower the magistrate to impose a sentence of overnight imprisonment in lieu of suspension of licence, where the person who holds the licence depends on it for his livelihood. This is the point I am trying to make. Now, I may be wrong. The Minister of Correctional Institutions wishes to make a comment. I am listening with both ears.

Hon. Mr. Grossman: Correctional Services.

Mr. Ben: Correctional Services.

Hon. Mr. Grossman: Mr. Chairman, I am glad I walked in at this stage, because it gives me an opportunity to explain to the hon. members some of the implications of the new Act which I think still are not clear to some. We could have in The Correctional Services Act provided for some of the things we want

to provide for those people who are convicted of provincial offences. But we deliberately did not do this because one of the problems we have had—and the hon. members will recall some of the instances; for example, the difference between statutory remission in the federal system as against the lack of it in the provincial system. We did not want to provide for two different types of inmates, perhaps even in the same institutions.

We have that problem now in respect of, as I said, the statutory remission, where you have two people coming up before the same magistrate. One gets two years, and one gets two years less a day, and there is a great deal of resentment on the part of the inmates, a great deal of hostility, because one feels that because the other person got one day more, he serves four months less, because of the difference in statutory remission.

As a matter of fact we just had some recent trouble in the last couple of days at Burwash. One of the reasons given by many of the inmates was this dissatisfaction between the way the person, in a sentence to a federal penitentiary is handled, as against a person in a provincial institution.

So we did not want to provide for a different type of programme for a person who is sentenced to an institution because of a provincial offence, as against one who is sentenced to an institution for having committed a criminal offence against the federal criminal code because that would even intensify the problems that we have now in a particular institution because of the difference of treatment as between inmates. What the hon. member is suggesting would provide precisely for that. Not only would it continue an already untenable position that we have to maintain, but it would make it even worse.

I think it would be much better if we waited for the federal government to re-enact that legislation, and let us handle it in the correctional services branch so that we can deal with them all in the same fashion. I hope I have made my point clear.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I think that the hon. member for Port Arthur brought up a very valid point concerning the conviction of an individual for impaired driving and losing the right to earn a livelihood. Now, that individual may never drink on the job. It may be a truckdriver or some other person operating some type of vehicle. He may never drink on the job, but in the evening he goes to a party, gets drunk and is caught, and as a result loses his right to drive for some stated period of time.

Mr. Attorney General, in your own office, if some employee came to your office impaired you probably would warn him; the second time you may fire him, but if you met that same individual at a party somewhere and he was impaired he would not lose his job, would he? The individual now driving a motor vehicle is denied the right to drive again simply because he happened to be impaired in his off hours. There should be some consideration in legislation to permit the individual to drive during his working hours, and deprive him of the right to drive in the off hours. In other words, give him a limited privilege so that he could still earn a livelihood. A man may have a record of never having drunk on the job, and simply because he was trapped once now he is penalized for a period of three months or for six months. Some consideration should be shown. I hold no brief for these fellows who are caught for impaired driving while under the influence of alcohol. I think that the penalty should be severe. The case that the member for Port Arthur brings up, Mr. Chairman, is very valid. Here the fellow has his livelihood taken away. You have punished his family. You have punished everyone, when you punished the individual. Some consideration should be shown so that the person could still maintain his source of livelihood, and that is the driving privilege.

Hon. Mr. Wishart: I see the merit in the points being put forward by the hon. member for Oshawa, and the others who have spoken on this, and we will take it under consideration to see if there is some approach that might be made to it, but I would just point out that a few fallacies exist, I think, in some of the remarks that have been made.

The hon. member for Windsor-Walkerville says: "You meet him in your office, or you meet him at a cocktail party and if he is impaired he would not lose his job." He said, "Because he is found in that condition in his off-hours he is convicted." Now, it is not because he is in that condition in his off-hours. It is because he is driving what becomes in his hands in that condition, a dangerous weapon. That is what it becomes. That is why he is convicted. For the protection of the public. For the protection of himself. That is one point I would make.

The other is that with every person—the thief, the burglar, whatever the crime for which he is incarcerated—you punish his family too. You deprive his family of his society. You prevent him from working. Everyone who comes before the bar of justice and is convicted for a crime, a great many people

suffer along with them, particularly his family, his relatives, his friends and so on, and particularly those who depend upon him for a livelihood, so that while I realize that, I think the point here is that this is a more common offence today and it touches particularly the people, because the motor vehicle is a necessary implement of employment in so many walks of life. I have noted the remarks of the hon. members, and I would like to study and see what approach might be made, if there is an approach that is possible.

Mr. Pilkey: Mr. Chairman, I am not just talking about the situation of an employee or worker losing his job because of the lack of opportunity to have a driver's licence, because you raised the question of theft and many other crimes, and those same people find themelves in double jeopardy as well because they lose their jobs. Let me give you an illustration—

Hon. Mr. Wishart: That is right, I would like to consider it.

Hon. Mr. Dymond: That is the risk they take. If they want to protect their job they should not run the risk of throwing it away.

Mr. Pilkey: All I am pointing out is that, okay, so a fellow gets a term—seven days—and he is working in the auto industry, as an illustration; his job is in jeopardy. I know what will happen to him; he is going to get a removal notice.

Hon. Mr. Dymond: Well, he should not have gotten into trouble.

Mr. Pilkey: But he is paying his debt to society, he has paid his debt to society and now—

Hon. Mr. Dymond: He cannot have jam on both sides.

Mr. Pilkey: In other words, you put him in jail and incarcerate him for a period of time and then you take him out and string him up. I mean, you are going to hang him after that. It is worse than the crime that he was incarcerated for and the penalty that he pays to society or his debt to society. And then in addition to that, he is denied his place of employment.

Hon. Mr. Dymond: He denied himself his place of employment.

Mr. Pilkey: What does the Minister mean, denied it himself?

Mr. MacDonald: The Minister sounds like Leslie Frost. Anybody who gets into jail deserves it.

Hon. Mr. Dymond: He does not have to get in jail.

Mr. Pilkey: Well, we are not suggesting for a moment that he should not serve the term if he is guilty, all we are saying is that the law ought not to put him in double jeopardy. You say that he put himself in jeopardy, but he is paying his debt to society; why should he in addition to that be denied his place of employment? And you could find someone with the same crime in a different court in front of a different magistrate who gets a fine, and he can report back to work on Monday morning. Nothing happens to him. It is only the fellow who is incarcerated, who is put behind bars who loses his job. And it is not only the crime of drinking; it is any crime, and he could lose his job.

Obviously, through representation, a great number of them get their jobs back but there are still people who lose their jobs. All I am suggesting, Mr. Chairman, to the Minister is that there should be a study made of this to see what all of the implications are. I do not think the employers in this province should have the opportunity to take unilateral action by saying, "Okay, you were seven days in jail, now your job is gone." I just do not happen to think that that is fair.

Hon. Mr. Grossman: Mr. Chairman, if I may, this was provided for in the new Act. These things will be taken into consideration. If I may just read sections 18, 19 and 20 of the new Act:

> Where in the opinion of an official of the department designated by the Lieutenant-Governor in council for the purpose, it is necessary or desirable that an inmate be temporarily absent from a correctional institution for medical or humanitarian reasons or to assist him in his rehabilitation—

Which I might say parenthetically covers a great deal—

> —the temporary absence of the inmate may be authorized by such official on such terms and conditions as he specifies.

Subsection 2:

> Any inmate temporarily absent under subsection 1 shall comply with such terms and conditions as are specified and shall return to the correctional institution at the expiration of the period for which he is permitted to be at large. And if he fails to do so, and so on.

This is precisely the situation we are thinking about. If, in fact, a man can be trusted to go

back to work on his job and we can make arrangements with his employer; if it is felt that it is better for him to be employed, this is precisely the arrangement which will be made.

He will, in fact be on some sort of parole. This is what is envisaged in this Act and, of course, as I mentioned, when the Act was discussed in the House, it is going to be put into effect. We are studying it where it is in effect and when we are able to get this legislation. This is one of the clauses which we have not proclaimed awaiting the federal legislation on it, and this will cover the situation, I think, that the hon. member is referring to.

Mr. Pilkey: I just want to point out some of the things that go on in this province in terms of people who are charged. There are employers in this province, when an employee is charged, before he is found guilty, he is suspended from his job; he waits until the court adjudicates that charge and if he is found not guilty he gets his job back, but if he is found guilty he is gone. But there are employers in this province—and this is a fact—and some of the biggest employers in this province who have just let their employees go.

I am not suggesting that the Minister can do anything about that, but I just make this comment, that it is even over and above the question of being convicted. I make this point because everybody in this province thinks that most of the employers are holier than thou. Let me tell you that there are many conditions existing that many of the members of this House do not know about. And they need correcting.

Hon. Mr. Grossman: Nobody is holier than thou.

Mr. Ben: It is quite true that many employers fire employees for drinking, but nowadays there are many firms—the Bell Telephone Company is one of them—which have special departments to handle the serious alcoholic problems that are experienced amongst their employees.

I thought I would just rise to applaud the firms which are broadminded enough and are up with the times to realize that drinking now has become a social problem. Alcoholism is more of a disease than it is a crime, and they are taking the trouble to keep alcoholics, not just drinkers but alcoholics, on the staff and trying to set them on a straight and narrow path.

Mr. MacDonald: Mr. Chairman, I do not want to pursue this at great length but there are many consequences flowing from the administration of justice, which may stray from this estimate but which, I join with the plea of my colleague, the member for Oshawa are worthy of study. He has cited what happens to employment opportunities of convicted.

In another context in this House, if I may just mention it in passing, in the instance of car insurance, I can cite you a chap up in the Downsview area who was charged with impaired driving and his car insurance was cancelled. When he came before the court, he was exonerated, he was acquitted. He never got his insurance back. He was blackballed by the insurance company. This is the kind of thing that sometimes goes on and the ramifications that flow from a court decision, or something that is going to come before the courts.

However, Mr. Chairman, what provokes me to rise—and I do not want to get into an argument with my fellow Scot—is the philosophy implicit in his comment, "The man was himself responsible for getting in jail and therefore let him suffer the consequences.

I say to this government and to the Minister of Health, that this is precisely the kind of outmoded philosophy that we have to attack.

When the hon. member for Sudbury puts on the record the scandalous number of people that we jail, as compared with many other jurisdictions, surely in our own interests we should look for more compassionate, humane ways to deal with a person who is guilty of an offence before the law, other than the automatic throwing him in jail. We have made a move in that direction with probation, but we have not gone as far as we should. If you compare the figures in Great Britain—I have not looked at them for some years – but Great Britain had fewer people being put in jail with a population that was eight or nine times the Ontario population. So the probation, or some alternative to putting a person in jail, is the sensible approach if you really want rehabilitation of a first offender, or anybody who has not become an habitual criminal.

Mr. Chairman: Juvenile and family courts?

Mr. Singer: No, Mr. Chairman, on this vote before you get too much further, I just want to ask one very simple question. There was a fellow named John Campbell, who was an official of the Ontario securities commission;

he was acquitted at his trial. There was an appeal, a new trial was ordered. I just wondered if the Attorney General could advise us what the present status of the prosecution is?

Hon. Mr. Wishart: That appeal is pending in the Supreme Court of Canada.

Mr. Singer: It has gone on from the court of appeal to the Supreme Court of Canada?

Hon. Mr. Wishart: Yes.

Mr. Singer: So there is no determination as yet as to whether or not it is going to be tried?

Hon. Mr. Wishart: It is pending, yes.

Mr. Chairman: Juvenile and family courts.

Mr. Shulman: Mr. Chairman, I would like to bring to the attention of the House the representation that has been made by the Elizabeth Fry society to the hon. Attorney General in relation to the juvenile age limit. I think it has been well put by the society itself and I wou'd like to read their letter into the record, because I think that they have a very legitimate point of view. Perhaps the department has made an error in not listening to their representations.

On February 28 of this year, Mrs. Ruth Bruce, president of the Elizabeth Fry society, wrote to the hon. Attorney General as follows:

> It was with distress that we read in the newspaper that your department is not in favour of raising the juvenile age to 17 years as recommended by the draft Children and Young Persons Act proposed by the federal government.
>
> In the work of the Elizabeth Fry society, our case workers are convinced that there is a great difference between the 15 to 18-year-old and the 18-to-21-year-old. The younger group is at a rebellious age, often acting out their inner conflicts. They are at the stage of trying to decide whether they want to be part of the downtown crowd, or to be responsible citizens. If once while in the turmoil of decisions they get a criminal record that at the present time remains with them for life, it is very difficult for them to make a constructive choice.
>
> In recent reports we have seen the increased costs of increased services in the juvenile courts was a large factor in your department's statement concerning raising juvenile age. It is difficult to understand this thinking. In the first place, if the person is handled in the juvenile court there will be a corresponding reduction in numbers in the adult courts. If the youngster is helped at this critical and approachable age, and does not see himself as a criminal, he is much more likely to become rehabilitated than if he is officially labelled as a criminal by conviction in an adult court, a factor which will sharply reduce the overall cost to the community. The Elizabeth Fry society strongly advocates raising the juvenile age to 18 years, and at the minimum, 17 years. We do not feel that the cost should be a deterrent.
>
> Yours very truly, Mrs. Ruth Bruce.

That is the end of the letter, and I would like to say that I agree with the submissions of the Elizabeth Fry society. I would like to ask the Attorney General if he would like to give consideration to the suggestions that were made by the society?

Hon. Mr. Wishart: Has the hon. member got a copy of the letter that I wrote to the Elizabeth Fry society?

Mr. Shulman: No.

Hon. Mr. Wishart: No, I thought not, because we did not say that we were not in favour of the proposal. We did not say that. We have their representation, and then the Cabinet was attended by the Ontario council of women, who put forward, as one of their proposals, this same matter of raising the age of the juvenile offender. I am sure that my colleague, the Minister of Correctional Services, will have something to say on this because it really falls mainly within his area. We took the position that there were some considerations that had to be weighed very carefully before one could implement this suggestion of raising the age.

Mr. Shulman: What?

Hon. Mr. Wishart: Well, there are two at least. One is that your offender is now under 16, if he has not reached his 16th birthday! That group, if diluted, or infected or mixed with the 17- and 18-year-olds, leaves you dealing with a very difficult group to handle. You would have to change your programme for training. My colleague can expatiate more on that than I can. The other thing is that to bring in to the present numbers that we are dealing with, the very substantial numbers that would accrue from the age extension, would mean that we would not have the facilities at the moment to handle them.

It would require a new programme of construction of facilities, and a new programme to train and deal with them or rehabilitate them.

These are two of the very large problems in terms of money, effort, time, and in terms of approach of the training of the larger group of people who would come in to dilute or affect what is now a very good, and well-organized programme for our present juvenile offender in Ontario.

Mr. J. B. Trotter (Parkdale): That is questionable.

Hon. Mr. Wishart: Perhaps that is the member's opinion, but I think that my opinion, or what I have set forward, can be substantiated very firmy and those that have to do with the rehabilitation of young people will tell you that the hard and tough group to handle or control or rehabilitate are those of the group 16 or 18, or older. But I would ask my colleague to add to the remarks that I have made. We set forth our position, and as I say, we were attended upon quite recently by the Ontario council of women and they discussed it with us, and I think that they understood our position and realized that, while it might be an objective to be reached when possible, it was definitely not something you could do overnight. That was the position that we took with the Elizabeth Fry people.

Mr. Shulman: It is still under study? Is this the situation?

Before you go, I would like to ask the Attorney General, if he would consider as an initial step, raising the age at which a young person develops a permanent record, by one or two years? Then these people in the intermediate age would not be labelled for the rest of their lives with a record that causes them a great deal of difficulty?

Hon. Mr. Wishart: There is a great deal of merit in that and we will consider it, but I should perhaps have said, when I was on my feet, that here is a programme suggested and practically laid on or originally designed by the upper level of government, the federal government. Now, while it may have great merit, to simply pass it on to the provinces, some of which have the age of 18 years as the top juvenile level, while some have 16, and if we pass that on to a province which is in the situation that Ontario is in, without any consideration of making provision for facilities, or money and time available for the implementation of the programme, would be something that simply is of the most difficult effect and frustrating nature imaginable.

If this type of programme is to be brought about, it must be on a cooperative basis, with time to plan it and with assistance. I am speaking really of things which, while they do affect my department, since the juveniles move through the courts, they, and the great problem, rests with the Minister of Correctional Services, because if the court sends them to his department, then he has the problem of dealing with and rehabilitating them.

All that I am pointing out is that it is just not something that can be accomplished by the province alone, and certainly not in a short time, because it entails those two great efforts of the provision of facilities and programmes. The hiring and training of staff to deal with them and people to deal with them and teach them and all the things that follow are important.

Mr. Trotter: How is it that other provinces do it?

Hon. Mr. Wishart: Oh, well, I am sure that the hon. Minister of Corrections will deal with that.

Mr. Shulman: Just before the Attorney General passes the matter on to the Minister of Correctional Services, I would just like to stress again this one point. This would require neither preparation nor money, and which could be done by the province by a stroke of the pen, and that is to raise the age at which the record of the person becomes permanent. I would think that this could be done by the Attorney General tonight if he so wished, with very little trouble and again I would like to direct this to his attention.

Hon. Mr. Wishart: That is a matter of federal jurisdiction, Mr. Chairman. I know it is being studied and we are being kept aware of it, but is their jurisdiction.

Mr. Chairman, while I am on my feet—I gave information to the hon. member for Downsview which I find is not correct, in answer to his question. I have passed a note, that in the Campbell matter and his appeal to Ottawa, his appeal was dismissed and the Ontario court of appeal had ordered a new trial. I understand that he appealed from the new judgment to the Supreme Court of Canada, and his appeal was dismissed, and the new trial which the Ontario court of

appeal had directed, will take place on September 9, 1968. Now I am sorry that the hon. member for Downsview is not in the House, but if he returns I will get this information to him.

Mr. Chairman: I would ask the member for Humber if he would yield the floor to the member for Sudbury.

Mr. Sopha: Could I ask the Attorney General when the trial of Viola and George MacMillan will take place on the indictment?

Hon. Mr. Wishart: I do not know.

Mr. Sopha: Well, that is very strange.

Mr. Chairman: The member for Humber.

Mr. Ben: If you may recall—

Hon. Mr. Wishart: Mr. Chairman, I have just been passed a note and November 19 is the answer to the hon. member for Sudbury.

Mr. Sopha: I am delighted to hear it.

Mr. Chairman: The member for Humber has the floor.

Mr. Ben: Mr. Chairman, you will recall, as will the hon. Minister of Correctional Services, and the Attorney General, that last year when the federal government came down with the results of its Royal commission on youth, I came out strongly in favour of increasing the maximum age of juveniles to 17. In fact, I had spoken of this matter the year before that when I was a critic of the Minister's department and even when I was on city council. I make that statement because in the interval I have made a complete about face.

Now it is very easy to just pick up reports and because they are done by the establishment, by judges and so on, to accept them holus bolus. This House, I say, has been guilty of doing the same thing with the report on education, "Living and Learning." I think that many people six months hence are going to have second thoughts on a lot of the stuff that is in there, but the fact is that we have a bad habit of just accepting as gospel, any report that comes down without the majority of us having read it.

What bothered me about this business of juvenile delinquency and juveniles, is the fact that we continue to have more so-called juvenile delinquents and I came to the conclusion, Mr. Chairman, that we are making juvenile delinquents by making and keeping people juvenile. Now that may sound like a very facetious remark—it is like saying, "well, you cannot have juvenile delinquents unless you have juveniles." I say that we are deliberately creating juveniles so that we can have juvenile delinquents.

You know if you go back in history people started out to conquer the world, as it was then known, at the age of 22. Some, like Julius Caesar, started their careers earlier, at 18. The fact remains that children now attain biological maturity a lot earlier than they did at one time. My brother is a doctor and perhaps the Minister of Health may be interested in this. I picked up one of his medical journals in which an article pointed out that girls attain puberty six months earlier every decade, so that in essence, young girls are now attaining puberty two years earlier than they were at the beginning of the century.

In other words, they are ready to become mothers that much earlier, and yet our morals, our social values, say that it is improper for girls of that age, of those tender years, to be mothers.

Yet everywhere, on television, we show them pictures of family living and so on. Furthermore, we treat them as children when on the other hand we admit that they know a lot more than we did at their age. For instance in "Living and Learning," this report that came down, it said that children are now learning more about living from watching television than they are in school; they see the problems in the United States with reference to segregation; they see the poor marches; they know the results of poverty; they know all the results of war.

They do not have to be taught that the first world war was an awful thing and that people got killed, because they see people being killed in Viet Nam right now. So they are now living, you might say, in an adult atmosphere, and yet, we still treat them as children.

It is strange what the Minister, who is charged with the responsibility of looking after juveniles, belongs to a faith where they determine that an individual attains manhood at the age of 13. He has his bar mitzvah. He has been called to the law so to speak but in essence he has become an adult. So for 5,000 years, by the Jewish faith, a boy becomes a man at the age of 13. Now that applies to a woman who could do the same thing, she could become bar mitzvah.

I question, Mr. Chairman, whether we have been right in trying to repress our youth, in keeping them in a juvenile state when in essence they have matured more than we

suspect. They have become more men and women than we would desire. In essence, because we do not want to sever the so called "apronstrings", we are keeping them tied to us.

We all admit that many of these co-called juveniles are now showing a much more mature attitude in the protest movements that we have; the placards that they carry. So on the one hand we applaud them for their maturity and their sense of social values, and on the other hand we say that they are children, and this is what is upsetting youth. They want to be adults, they want to act like we would want them to act, and yet we do not let them.

You know, parents have a bad habit. If a child cries, we say, "Do not cry—act like a man." If he want to do something that we think he should not be doing we say, "Do not do that. You are not old enough. A young boy or a young girl like you should not be doing this."

Is it any wonder that these kids end up with a split personality not knowing whether they are grown up or children, whether they are coming or going? I think that perhaps if we followed the Jewish concept and gave these children more responsibility and let them exercise the responsbiility of adulthood at an earlier age, I say to you that they would act more like adults.

Children, I have found, are inclined to act in the manner that you expect them to act. If you expect them to act as well-behaved juveniles, they are more apt to act as well-behaved individuals; if you expect them to misbehave, they will misbehave. A child will usually behave in a manner in which you expect him to behave.

It is easy to say that if you increase the maximum age of juvenile delinquency to 17, then the child will attain a record that much later in life. To follow that argument we can say raise it to 18, to 19, to 20, to 35 for that matter, and there will always be fewer people who have criminal records. What we want, Mr. Chairman, is not so much to prevent them acquiring a criminal record, but to prevent them from doing the act which will result in their obtaining a criminal record. This is what we are trying to achieve and I do not think that simply by increasing the age to 17 as being a maximum age of juveniles that we are going to do that.

Now as I said when the report of the Royal commission on juveniles first came out, suggesting that 17 be the top limit for juveniles, I thought it was a splendid idea and that the government was finally smart enough to start advocating what I had been preaching for years. But I have had strong second thoughts on this and I think that perhaps we have been wrong; that we have too long been treating our youth as children when we ought to have been treating them more as mature individuals who are a lot smarter than we give them credit for.

Hon. Mr. Grossman: Mr. Chairman, the hon. member for Humber made some very good points with which I agree but I will not go into the details of those because I do not want to usurp the time of the Attorney General, who has asked me to comment on some of the other aspects of the representations made by the Elizabeth Fry society and others with which I am familiar.

In the first place somebody has asked how is it they do this in other provinces. The only other major provinces that I know of who have any training school systems at all, to speak of, are the provinces of Quebec and British Columbia. In British Columbia, the juvenile age, I believe, is still 16. In the province of Quebec it is 18.

Now if one of the reasons why their problems are not going to be as great as ours under a changed system, or would not be, is that—and this is something that will probably surprise most of the members of this House—I would suggest perhaps they should go to Quebec sometime and visit the training school system generally and ask some very pertinent questions.

They will find that if a juvenile and family court judge commits a child to a training school, they have got to find a training school which will accept the child. A child could go from training school to training school and unless that particular superintendent of that training school is prepared to accept the child, he just does not get into a training school. When we tried to follow this through —that is what happens to a youngster like that, we came up against a dead-end.

One could easily imagine that training schools are not going to accept the more difficult children. So it is not really the same problem for Quebec, for example, as it is for us. We have the most advanced training school system on this continent, certainly in Canada anyway, and it would be a great problem for us.

For example, if we just accepted the recommendation of the committee, of the federal committee for age 17, let alone 18, we would immediately require at least three new training schools, which would cost in excess of $10

million, just to build. It would cost approximately that and I do not have the file before me; I have all of the information on this in my office. I think if we are just looking at these 17-year-olds, it would be an annual cost to this province of over $2 million. Now, if it went to age 18, it would cost a much larger amount—I forget what the figure is—in an immediate capital cost and a much larger figure in respect of annual costs.

As the hon. Attorney General has pointed out, this age group between 16 and 18 is the most difficult group to handle. That is one of the reasons we have problems at Guelph, because this is the most difficult group. To bring them into the training school system is going to require not only new training schools, but a completely revised system where we can sort them out in a much more elaborate manner so that they are not mixed with the younger children.

There is another ancillary problem which is added to this: While a youngster under 16 is considered a juvenile and is sent to a training school — admitted to a training school, we can retain the wardship and quite often do, until the child is 18. In other words, we feel that it is necessary to have the authority to look after that youngster well beyond the age of 16 so that he can be placed and supervised. Obviously if we get a child six months before the child is 16 years of age, there is no point in letting him out of the training school in six months — or perhaps it was a week before he was 16. So we retain the wardship for two years after. Now, if we were to take 18-year-olds, we would have to retain the wardship until they are 20. So the hon. members can see the problems involved in this.

I think as a general principle, one could argue that the juvenile age limit might be better if it were higher. I am not convinced of this. We are prepared to look at this, we have been discussing it and we have been studying it, but there are all these problems. One thing that the hon. Attorney General did touch upon, and I think needs repeating: The federal government in fact — and this is something I hope, and I am sure our government will discuss with them at federal-provincial conferences — the federal government, is, in fact, affecting the fiscal policy of provincial governments by passing if they do pass, this kind of legislation.

What is the use of saying that you have certain jurisdictions when in fact you cannot afford to do what the federal government passes what is in it power to pass? What is the use of the federal government saying that we, the provinces, control our own fiscal policy, when by the mere passing of some federal legislation — as we are in this particular case for example, where we are faced with $10 or $15 million immediate expenditure from a $2 to $5 million annual expenditure. Of course, it is important to consider these matters.

Mr. Singer: Those who live in glass houses should not throw stones. What about the municipalities.

Hon. Mr. Grossman: I do not know that that proves anything. I am not throwing any stones. I am just suggesting to the hon. member what the problems are, inherent in this. It is not quite as simple as just saying "take 17-year-olds". I say it may be a good principle, but it takes a lot more detail and study and co-operation on the part of the federal authorities if they want to put this into effect. One should also realise that by this they would in fact be costing the government of Ontario, the taxpayers of the provinces of Ontario, a great deal more money while reducing the cost to the Quebec government. Because where their age limit now is 18, they would be reducing theirs to 17, if the federal principle were followed. And they would, in fact, require fewer training schools than they have now; and training schools are much more costly to maintain than adult institutions.

Mr. Chairman: The member for Kingston and the Islands.

Mr. S. Apps (Kingston and The Islands): Mr. Chairman, one of the recommendations of the select committee on youth, No. 235, recommended that The Deserted Wife and Children's Maintenance Act be amended to provide for adquate enforcement of court orders. Now, under this Act there appears to be no way in which the family courts of this province can enforce their own orders of maintenance against any erring husband. As a matter of fact, a speeding sumons is given higher priority in respect to the enforcement of provisions than a family court order has for the maintenance of the wife and children. It appears that many family courts in the province seldom enforce their own orders of maintenance against an erring husband. It was felt by the committee—and I certainly concurred in this as did all the members of the committee — that once an order has been made by a family court against the husband for the maintenance of the wife and children, the court should take the necessary steps to enforce the order, if a husband fails to comply with the order.

I would like to ask the hon. Attorney General if his department has taken any steps

to make certain that these orders are properly enforced by the family courts?

Hon. Mr. Wishart: Mr. Chairman, I have before me some figures which I might give in response to the inquiry.

Last year the juvenile and family courts collected on maintenance orders the sum of $7,139,391.87, a very substantial amount. Restitution orders – the amount collected was $23,358.01. Fines – $17,961,72. But I stress the maintenance order; the amount collected was in excess of $7 million. We have directed our attention to this matter and particularly with the impact of legal aid, the assistance of counsel – one of the things we discussed earlier today – and I think it was pointed out by the member for Lakeshore, which I can confirm, that the addition of legal counsel under the legal aid plan to the juvenile family court situation had resulted in a follow-up of the orders which are made by the court, and that much better results are being achieved.

Mr. Apps: Well, Mr. Chairman, with all due respect to the amount of money that has been collected, it is not very good unless you know how much money was awarded. You may have collected $7 million, but you may have awarded $14 or $15 million.

Mr. Singer: I hope you are more constant in this than you were about Sunday racing!

Mr. Apps: Just let me look after myself and you look after yourself.

Mr. Singer: Great speeches but no votes.

Mr. Apps: I am sure that at the present time, if the court makes an order of maintenance on behalf of a wife, or her children, and the husband fails to obey the order, the wife in practice must initiate the application to the court for a show-cause summons to be issued to obtain a hearing respecting an order already approved by the court. Now this – and I am quoting from our report – leaves the deserted wife with no assurance she will receive a court order of maintenance payments or further that anything will be done by the court if such payments are not made. It leaves the deserted wife at the mercy of intimidation by her husband who has nothing to fear from a court, which does not enforce its own orders, and has only to deter his wife from asking for the issuing of a show-cause summons, and it leaves the deserted wife no recourse but welfare if her husband chooses to move about the province or the country whenever her show-cause sumons is received. The onus is again on the wife to locate the address of the husband before the court will act. In some municipalities her welfare maintenance is held up on the presumption that she has an order of maintenance from her husband through the family court. "Now, Mr. Chairman, regardless of the fact that a great deal of money is recovered, the fact still remains that a great deal of money is not recovered and that the deserted wife is left to her own resources to go and charge the husband again and again and again.

It seems to me that we should be doing something to enforce these court orders in the same way that we would enforce the speeding fine or any other fine that lapses, and I would hope that the Attorney General would take this under very serious consideration, because it creates a very great hardship on many deserted wives who are not able to collect and their husbands have no real intention of paying in the first place.

Mr. Singer: Hear, hear, hear. Very well said. Very well said.

Mr. Chairman: The member for Humber.

Mr. Ben: Mr. Chairman, I would have liked to continue to speak on the juvenile and family court, but because I wanted to give opportunity to some other members to exhaust the topic we were discussing, I sat down. But it is interesting to hear the member for Kingston and the Islands rise on the question of wives not collecting from husbands because, if my memory serves me correctly, I raised the point last year and the year before, without a murmur from the hon. members. I pointed out that the government and the party which he represents had, in the welfare department, a special unit whose job was to track down husbands of deserted wives where those wives were on welfare.

Now, I complained about two things at that time. First, there were not enough funds allocated to that special unit, nor did that unit have enough employees to trace all the husbands who had deserted their wives causing them to go on welfare; and secondly, they restricted their activities to tracing down those husbands whose wives were on welfare and completely ignored those wives who managed to struggle along without going on welfare and whose husbands had deserted them. I thought that that was grossly unfair, no one on the government side at the time rose to say: "You are right, Mr. Member, we ought to have a more expanded unit, and we have got to track down all husbands who have failed to comply with an order of the family court to pay their wives and children maintenance."

I also pointed out a lot of the abuses that are permitted in the family court when the court to which payments ought to be made, or which ought to keep a record of these payments, permits these payments to go into arrears for months and months, and years. Subsequently, when the wife is really destitute – the man who thought in the first instance that his wife did not want his money, that she just wanted him to absent himself and stay away so that she could lead her own private social life, finds she comes after him for all those arrears, which she was once willing to sacrifice for her own personal privacy.

I suggested at that time that the family court, which has all the bookkeeping facilities at its disposal, and which is charged with keping track of the payments, ought, when the payments fall into arrears for one month, to summon both the husband and the wife and compel them to explain to the court why the husband was not making the payment, and why the wife was not pressing the court to have the husband come to tell the court, to give reason why he was not making payments. The payments ought not to fall into arrears more than one month without a justifiable excuse on the part of the husband of the wife. There are many reasons why the payments could fall into arrears that should not be permitted without the knowledge of the court.

Too many of them use it as a weapon over the husband. While they are doing fine they say, "You keep away from the children and me and you do not have to pay," and so he does not. Suddenly the wife needs money and she does not know where to turn and then it occurs to her that she ought to have been getting money from the scoundrel for over a year. Down she goes to the family court and a show summons is issued, the husband finds that he has got to pay $1,000 or $1,500 suddenly, which the wife rejected because she preferred her privacy to him coming to see the children and having him make the payments. I think that this is iniquitous and something has to be done about that.

Another aspect – and I had such a case – where the wife was living common law and she did not want the husband around or to come and see the children. The child had to go to see him and she did not want his money. But then she had to go on welfare and welfare, in this particular instance, mother's allowance, compelled her to go and lay a charge against her husband. She did not let the welfare know that she was living common law, or they would have disentitled her to any payment.

When the matter came up in court, it turned out that the husband had been paying her indirectly through the child. This situation would not have arisen, as I say, if the court had kept track of those payments as it ought to and had compelled the parties to give legitimate excuses to the court as to why the both of them, in essence, were disobeying the court's orders. I think that when the court orders the husband to pay so much a week for the support of his child, it is just as much the responsibility of the mother to see that the father pays as it is for him to pay. It is money for the child and the feelings of the parents in this instance are immaterial.

Another matter that disturbs me in the juvenile courts is The Juvenile Act, which reads that a juvenile shall be deemed a delinquent if he has been guilty of any of a long series of offences; is incorrigible, stays out late and so on. Now when you go to juvenile court – and since legal aid there are more lawyers going to juvenile court – you find a very funny system running there. The judge, before declaring the child delinquent does not bother to find the child guilty of the offence with which it is charged. In other words, a child may be brought up in the family court and charged with being delinquent in that he did steal a bicycle. That is the act of delinquency, but the judge does not first determine whether the child is guilty of stealing the bicycle. The attitude of the judge in family court is, or appears to me to be, that since the child will not have a record anyway, after it has turned 16, to find him guilty, because he is not going to get a record, and since he is going to give him a suspended sentence anyway, what is the difference? At least it will scare the child. That to me appears to be the attitude of the juvenile court. But getting back to that fancy report we have here, "Living and Learning". What kind of a lesson does that child derive from that particular thing? Is that child taught that we do have a system of justice? A system where everybody is treated equally before the law and that there will be a determination of whether or not you are guilty?

I asure you that that is not the lesson our tan Toronto juvenile and family court, and I speak only for that institution because I have not had any experience with juveniles in any other. One of the things that they undoubtedly learn in the metropolitan juvenile court is that there is no justice. They do not find

the child innocent or guilty but they just declare him to be a deliquent because that is the safest course to follow. The judge has nothing to lose. The child does not have a record; give a stern lecture; give him a suspended sentence and who is hurt? The parents are happy, the child goes free, the police are happy because the child goes free, the police are happy because the child was found guilty; so who suffers? Nobody, except the child. And after all, what is a child? Nothing in the juvenile and family court, I will tell you.

This is on thing that must be changed. If there is anywhere that they should follow the full letter of the law and really have a court of law so that the children can in effect learn through living it is in the juvenile court. That is where you should start the education. May I have the Attorney General's comments?

Mr. Chairman: Yes, the Chairman is just waiting for the Attorney General to rise and make his comments in reply to the member for Humber.

Hon. Mr. Wishart: I have made some notes of the comments of the hon. member about the enforcement of orders in family court and those of the member for Kingston and the Islands. I do not think I am going to make any comment on how a particular judge operates in a particular juvenile and family court. I have noted the comments which the hon. member has made and they will appear in *Hansard* and I will study them again. I have no comment at this time.

Mr. Sopha: In the operation of family courts my experience teaches me that these are the least efficient courts in our system. My observation tells me that the servants of the Attorney General out in the province, those upon whom he must rely, his Crown attorneys, take indeed very little interest in the operation of the family courts. As far as I can tell, they go there on an *ad hoc* basis; they go to represent the Crown in the prosecution of serious offences that are tried in the family courts. But their attendance, as far as I can see and this applies to various parts of the provinces, their attendance is by no means a matter of routine. Frequently one becomes aware that the presence of the Attorney General's servants in the family court is at the request of the judge. The judge has made a request that one of the Attorney General's agents come and prosecute. So the remarks of the hon member for Kingston and the Islands might be explained by the disinterest of the agents of the Attorney General in the operation of the court.

And one is bewildered — now, here is the thing, you have to see it in this context — in the laying of information in respect of an indictable offence by a private citizen; of course, that matter comes under review by the agent of the Attorney General. He passes upon whether the information shall be laid. He reviews it. He might ask for a police investigation in respect of an indictable offence. But in the laying of information by a deserted wife under The Deserted Wives and Children Maintenance Act, there is no review at all by the agents of the Attorney General.

As far as I can tell, it is not brought to their attention. Therefore, one is bewildered ofttimes when women arrive in the office, complaining about lack of support and one queries them, "Have you been to the family court?" and they say "Yes, we have, but they will not do anything about it." I say to my friend, the member for Kingston and the Islands, that he would be surprised at the number of complaints of that nature that one gets. They decline, and frequently one has to make a personal intervention, either by a telephone call or by going up or sending someone up with the woman to the office, to insist that information be laid in the matter.

If the information is laid, you can run into another obstruction which is very frustrating. That is the reluctance of these courts to bring back errant husbands from a distance. And, indeed, at times they impose the necessity upon the woman to defray the cost of bringing him back. She is entirely without the means to send a police officer, as an escort, to bring him back from Atikokan or some distant part, and it indicates an almost detached disinterest in the enforcement of the law.

I have always been one of those who have felt a sense of futility about the lack of vigour of prosecution in that court, though I would not go so far as the hon. member for Cochrane South who used to sit here with the third party. He advocated that all husbands who failed to support their wives should be flogged with the cat-o'-nine-tails to teach them a lesson and to get them back in the path of virtue; he used to protest most vociferously here, I am told.

But certainly — and I had one occasion, to show the difference in attitude, if I may use this illustration — a husband was up at the Northwest Territories somewhere and for a long time had taken himself away from his responsibility to his family. I thought just as a shot in the dark, I wonder what a letter to the Minister of Justice at Ottawa would do. I wrote the Minister of Justice and indicated

to him where this errant husband was and, by Jiminy, if he did not send the mounted police from Winnipeg in an aircraft to go up and get him from the Northwest Territories; bring him back to Winnipeg, bring him before a magistrate, incarcerate him in jail and then signal to Sudbury that they had him, in Winnipeg in jail.

That case was settled very neatly and very easily, he had enough money in the bank to pay all the arrears for several years and he just sent a cheque and effected his release. But one on behalf of these women, as my friend has pointed out here, it is perfectly correct that before they can draw welfare they are supposed to exhaust the remedies in this court that operates under the Attorney General. It is a very inefficient court, indeed, because they do not pursue with vigour, and experience teaches that if a husband is continually delinquent, if he persists in delinquency, really grits his teeth and says, "I won't pay that woman", then they tire easily; the staff tires easily of that—the husband and his perseverance—they stop prosecuting him, and the reply they make to the woman is, "Well, the prosecution does no good at all" which means, of course, that the intent of this Legislature is frustrated. In many ways, it is frustrated in the operation of this system of courts.

All right, now what is the remedy, because we always offer constructive criticism from this side? The remedy, of course, is to put an agent of the Crown in those courts, at least in the larger centres; they may have them in Toronto, I do not know. The remedy in the larger centres is to put an agent of the Crown in there, a lawyer, to exercise a general supervisory jurisdiction over the operation of that court.

Too frequently, I suspect, the operation of the court is left in the hands of people untrained in the law; they do not understand the remedies that may be available for prosecution of delinquent husbands. Frequently, they are social workers who, of course, are very expert in their own field, but totally oblivious to the procedures under the law. If the Attorney General wants to undertake some constructive reform, a good place in the system of hierarchy court to start with is the so-called family court.

The other thing that I seriously question is this business of the transference, the automatic transference, of the file of indictable offences that arise out of family relations to the family court. Invariably, the practice seems to be – and has grown up – that the moment an indictable offence is encountered that arises from the family connection, it goes to the family court for trial and that has its disadvantages. An individual, I would think, has the right to be tried in the ordinary courts of the land, the ordinary courts of criminal jurisdiction, and that automatically transfering it to the other court leads to this disadvantage. I have no doubt that human nature, having the frailty with which it is endowed, you frequently run into judges of the family court who have a predilection in favour of the distaff side of the family. I know of one, a great friend of the Attorney General, who said the woman can do no wrong. The woman's side of the family can do no wrong in a northern Ontario community, not Sudbury. Any husband, of course, who runs afoul of him in respect of an indictable offence because of his intellectual investment, his predilection in favour of the distaffs, has a small shred of chance of escaping conviction and the appropriate penalty. If on the other hand, these remained in the ordinary courts, these offences, as surely as the individuals entitled to have them tried, would not encounter the same magistrate, the same judge.

Hon. Mr. Grossman: You mean a lawyer can choose his own judge?

Mr. Sopha: Oh, no. If you stay in the ordinary courts you have a choice of them. You have a choice of judges. There is a variation. Variety is the spice of life.

Mr. MacDonald: Some are good, some are bad.

Mr. Sopha: Some are good and some are bad, indeed. But once—

Hon. Mr. Grossman: I did not know you could choose your own judge.

Mr. Sopha: But once you get into the family system invariably, except in Metro Toronto which I know nothing about at all in its staff, but in the other centres you have one. I say to my friend, the hon. gentleman, there is only one who always sits in that court, heavens, it is characteristic of our system of justice, is it not much heralded that the variety of judges who may try a person is one of its strongest features? Lawyers, even the judges, resist change in that regard but they want to have a panel available and, of course, it ought to be said about the juvenile courts. I make one comment in addition to what has been said, that in almost all circumstances where a juvenile faces a serious criminal charge laid in the ordinary courts – and this includes homicide, especially homicide – that charge ought to be tried in the juvenile court. There is a discretion, of course; there is a discretion in the juvenile court judge to direct

that it be tried in the ordinary criminal courts and that is where we fell into trouble in the Truscott case. That is precisely where we got into the trouble in which we got. Truscott ought to have been tried in the juvenile court. I say that *ex post facto,* and we would not have had the mess that rose out of it. So I would like to see the adoption of a policy—my final comment—whereby in relation to serious criminal offences, indictable offences, the discretion was exercised in favour of trying the juvenile in the juvenile court and not sending him over to the ordinary court. Mr. McRuer, to cite an example, when confronted with that situation, when he had the power to intervene by way of review, indicated that invariably the discretion ought to be exercised in favour of trial in the juvenile court. It is the most humane and the most rational thing to do in respect of the handling of offences against young people.

Mr. Ben: Mr. Chairman, I have been listening with interest to what the member for Sudbury just finished saying and I do not, for a minute, question one word of what he has been saying as anything but the truth. But the fact remains that in Toronto, the complaint is diametrically opposite to what the complaint is in Sudbury.

Mr. Sopha: I said several times that I do not know what—

Mr. Ben: Yes, so that is why I got up because you know now that as we have, as I said, legal aid, there are more lawyers appearing down at the family courts; more people are represented and as things drag out so slowly down at the family court, the lawyers have a lot of time to sit around—stand around rather—leaning on the rail and discussing cases. And do you know what, Mr. Chairman? We are still trying to find a lawyer down at the Toronto family court who can recall a husband who had assaulted his wife, having been convicted in the family court.

Hon. Mr. Grossman: We just have fine gentlemen in Toronto.

Mr. Ben: Nobody can recall having had this happen in his memory and this is something that perhaps should be checked. The courts take the attitude that they do not want to pin a conviction on the husband because then he will go and clobber the wife when he gets home or the children are going to have to go through life saying their father is a criminal.

Hon. Mr. Grossman: Men in Toronto do not beat their wives.

Mr. Ben: That seems to be the attitude down there. So here, in Toronto, it is different. The lawyers are fighting with the magistrate's court trying to compel them to exercise jurisdiction in assault cases because they are criminal cases, and the magistrate's court is trying to shove these so-called domestic cases to the family court.

I do agree with my colleague from Sudbury that if it is an assault case it ought to be heard in a criminal court, albeit for a reason different from the one given by my colleague for it shows that there is just no consistency in justice in this province. No, there is not, there is no consistency because my friend argued that assault cases should not be heard in the family court because invariably the court leans on the side of the wife, whereas here in Toronto, as far as assault cases are concerned, the court invariably leans on the side of the husband. So where is the middle ground? I suggest that you go back to the magistrate's court, that is where those charges ought to be laid.

Mr. Chairman: Juvenile and family courts. The member for Sandwich-Riverside.

Mr. Sopha: Well, let us go home.

Hon. Mr. Grossman: It is going to be a long hot summer.

Mr. Sopha: We are paid to make these observations.

Hon. Mr. Grossman: Well, you are not paid that much.

Mr. Chairman: Order please. The member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Chairman, I heard the figure of $7 million for the amount collected by the family courts but I did not hear the answer as to what percentage this represented of the awards that had been made.

Hon. Mr. Wishart: I have not got the figure, Mr. Chairman.

Mr. Chairman: Anything further on juvenile and family courts?

The member for Windsor-Walkerville.

Mr. B. Newman: Yes, Mr. Chairman, I will not go through the youth report and read the recommendations submitted by the committee—

Mr. Sopha: Go ahead, read it all.

Mr. B. Newman: There is no need. The Minister is fully aware of all of them, I would say.

An hon. member: You are being presumptuous.

Mr. B. Newman: Well, maybe I am presumptuous but at least, the Minister can read them for himself and for the sake of expediency I will bypass them but suggest to the Minister that he implement as many of these as quickly as he possibly can. One of them was the one that the member for Kingston and the Islands had brought up earlier.

There are quite a few others that merit serious consideration and implementation. However, in spite of all this, Mr. Chairman, we still have the problem of juveniles, and how do we overcome the problem or make the problem less serious? My own community had wilful damage of approximately $100,000 as a result of—I would not say solely juveniles—but as a result of mischievous or malicious damage. The separate school board, the public school board, utilities commission lose approximately $250 a day as a result of wilful destruction. How do we overcome this, Mr. Chairman? We find this problem becoming more serious each year. Surely, we have to come along and take the bull by the horns and attempt to solve the problem. One of the recommendations in the youth committee report was a detached worker programme.

Mr. Chairman, should you not undertake some type of pilot programme in some community in the province of Ontario, to see if we can lessen the incidents of juvenile delinquency? For example, car stealing in the city of Detroit on which I happen to have statistics: 13,260 cars were stolen in one year, 85 per cent of these by juveniles. Only 15 per cent by other than juveniles and the problem seems to be becoming more acute year by year. Surely, we are not just going to sit by, Mr. Chairman, and allow this to increase in severity. We have to come along and do something. I do not know the answer, but maybe, Mr. Chairman, the Attorney General and his staff could come up with some answers for it.

Mr. Chairman: Does the Minister wish to reply at all to that?

Hon. Mr. Wishart: I will just say briefly, Mr. Chairman, that there are detached worker programmes and—I think one in The Department of Social and Family Services, some there and in some of the cities, in Toronto—but they are not strictly related to juvenile and family court, I think, except that we get the respect of them, at least of juvenile offences. We have attempted, through some of our police forces to create programmes and assistance and direction to juveniles. I do not know that it really lies within The Department of the Attorney General to initiate this type of programme that the hon. member has in mind, although they are good and worthwhile. I would like to say that I would consider that, but I really do not believe that I should suggest that it be within The Department of the Attorney General.

Mr. B. Newman: It would not be within your department?

Hon. Mr. Wishart: I should not think that this is where it should be properly carried on, although if the government saw fit to say that this is the department for it, I think the programme is a good one to expand.

An hon. member: Usually one of the private agencies.

Mr. B. Newman: Well, Mr. Chairman, surely something has to be done with the problem. Simply by talking about it and doing nothing is not solving the problem. I do not know what department would be responsible for it but we have to find an answer to this or we are going to live in anarchy.

Mr. E. P. Morningstar (Welland): Mr. Chairman, I feel that the trouble is right in their own homes. There is a lack of discipline, and maybe some of the parents ought to be punished in place of the juveniles.

Mr. Apps: Mr. Chairman, one of the things that concerns me is the fact that there are many good suggestions made from time to time which really do not fall within any one department. I would hope that a section of The Department of Education with their department on youth would have someone there who could pinpoint these areas and make sure that the problem is looked after. In other words, push whatever department should be looking after them, make certain that they look after it.

This is one of the key points in our recommendations of the select committee on youth. One of the good things that would develop from a department of youth would be that there would be a responsible person in a responsible position who would be able to push those points that are now sort of fringes on other departments. I would hope that when this department of youth gets functioning, within The Department of Education, that they would certainly have someone there who would be able to pick out these areas, fringe areas, where nothing really is done—because it is really not that important to the overall running of any one

department—that they would push those particular things to make certain that something is done. And I think the suggestion that the member for Windsor-Walkerville made is one of those things that should be the responsibility of one department. Say, "You look after this and go ahead and do it with the co-operation of the other departments if necessary."

While I am on my feet, Mr. Chairman, might I mention here that we ran into a rather sticky situation in Kingston not so long ago when a juvenile was apprehended and had to spend the night in jail. This, I think, is bad, because there should be special detention facilities made available for juveniles so that they will not have to spend any time in adult institutions. There were charges of mistreatment and so on, and I would like to ask the Attorney General if, when they take over the administration of justice, they are planning to make certain that in larger areas particularly, that special juvenile detention homes are available so that juveniles when they are apprehended for one reason or another will not have to spend the night or two or three nights in jail, but they will go to separate detention areas.

Hon. Mr. Wishart: Yes, Mr. Chairman, this is definitely a part of our programme. There are detention centres now in quite a number of places. Where these are not available—and they are not available everywhere, it is quite well known—we attempt to see, if the juvenile has to be kept in custody, that he is at least confined in an area apart from the older prisoners, and this is carried out. Now, I think members will understand, Mr. Chairman, that we have taken over this responsibility, but as money becomes available we can provide additional detention centres. It is certainly part of our thinking, part of our programme to do it, and we do as much as we can with the present facilities which we have fallen heir to, to keep the juvenile away from the hardened offenders.

I should mention perhaps while I am speaking to this matter, that there is a committee of Cabinet studying the recommendations of the committee on youth, to determine what can be done to implement those.

Mr. Chairman: Anything further on juvenile and family courts?

Mr. B. Newman: Mr. Chairman, one year ago I brought up the problem of the detention centre for my own community and at that time the reply was that it was the responsibility of the community to provide the detention centre. The responsibilities of a community are very onerous and funds quite often have to be put to other uses. Now that the department has taken over this responsibility, when can we foresee the department taking over some facility in the community, some home, and transforming it into some type of centre for juveniles? There is no need to develop a new facility when an ordinary residence maybe could be adapted to take care of the juveniles.

Hon. Mr. Wishart: I can only say, Mr. Chairman, that I hope we will see our way clear to be able to do that sort of thing soon. It was the responsibility of the municipality last year at this time. It is not the province's responsibility and I know something of this situation. I know in my own community of Sault Ste. Marie, the community some years ago acquired a building and improved it, made it fireproof, safe and secure, and it was used as a detention centre for juvenile offenders. This could have been done by many communities. It is now our responsibility, and as I said before, we can get to it as quickly as possible.

Mr. B. Newman: Mr. Chairman, we are not talking about large sums of money at all in this. This is really a minor amount.

Hon. Mr. Wishart: Add them all up and they become large sums.

Mr. Chairman: Anything more for juvenile and famliy courts? Agreed to.

Office of the director of land registration.

Mr. Sopha: I should like to ask whether any—

Hon. Mr. Robarts moves that the committee of supply rise and report progress and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, tomorrow I would like to deal with second readings and then we will return to the estimates.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:40 o'clock, p.m.

No. 136

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Thursday, July 4, 1968

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JULY 4, 1968

The House met at 2 o'clock p.m.

Prayers.

Mr. Speaker: We are always pleased to have visitors to the Legislature and today we welcome as guests students from the following school: Orchard Park secondary school federal-provincial travel programme, Stoney Creek.

Petitions.

Presenting reports.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the tenth report of the Ontario parks integration board for the period ending December 31, 1966.

Mr. S. Apps (Kingston and the Islands): Mr. Speaker, I beg leave to present the second report of the standing committee on labour and move its adoption. Your committee begs to report the following bill without amendment: Bill 150, An Act to amend The Workmen's Compensation Act.

Mr. Speaker: Motions.

Introduction of bills.

The Minister of Agriculture and Food has a statement.

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, before the orders of the day I would like to advise the House, through you, sir, that extensive wind damage was sustained to several farm buildings in eastern Ontario, particularly Carleton and Russell counties, on Sunday afternoon, June 30. Inasmuch as we have a policy of providing, on a matching basis, any money that is raised locally on a dollar per dollar basis, the same policy would apply in that part of the province.

The term of the condition of this grant is, of course, that the local people set up a committee to collect donations to assist those who have been so unfortunate as to be affected, and set up a committee to explore and examine all of the damage and to make some list of the losses sustained, and then to administer the disbursement of the fund. We would like, of course, that on the committee being set up they make application to the Canadian disaster relief fund, for assistance from the federal government as well.

Mr. Speaker: The Provincial Secretary.

Hon. Mr. Welch: Mr. Speaker, in my capacity as registrar general of the province, I would like to recall that yesterday the records of the province show the arrival of James Grant McKeough, second son of the Hon. D'Arcy and Joyce McKeough.

Mr. Speaker: The leader of the Opposition would perhaps like to place his question from yesterday, of the Minister of Highways.

Mr. R. F. Nixon (Leader of the Opposition): I do not know in which order you wish them, Mr. Speaker, but I was wondering if the hon. Provincial Secretary, in his other capacity, could see that a birth certificate were made available without the usual charge.

Hon. Mr. Welch: Mr. Speaker, in view of the questions about birth certificates raised by the hon. leader of the Opposition a few weeks ago, we would of course like to examine the application with great care.

Mr. Nixon: In this case, it should be!

Mr. Speaker: Perhaps the leader would ask the question left from yesterday?

Mr. Nixon: Yes, I will do that, Mr. Speaker. This is a question for the hon. Minister of Highways, and I would like to ask what plans the department has for the completion of the bridge on Highway 522 over the Pickerel River Narrows? And when will Highway 522 be extended to Highway 69?

Hon. G. E. Gomme (Minister of Highways): Mr. Speaker, the answers to both of the questions asked by the hon. member are contained in a letter I wrote to Mrs. A. Bottrell, secretary manager of the Parry Sound chamber of commerce, dated June 26, 1968. It reads as follows:

Dear Mrs. Bottrell:

This is to acknowledge your letter of June 5 in respect of Highway 522.

The need for eventual completion of the link between Loring and the Highway 69 has been recognized. A programme of construction is under study. It would have to consist of a bridge structure over the ESS narrows at Kawigamog Lake and a new road section between the narrows and Lost Channel, and rehabilitation of the existing road between Lost Channel and Highway 69. The work would be given a tentative priority in relation to overall provincial highway needs.

Sufficient preliminary investigation has been done to determine that the cost be about $1.7 million.

To be realistic, a schedule of construction must be consistent with the relative priority of work and the availability of funds. I must confess that already heavy commitments and a restricted budget do not promise well for an early implementation of such a programme.

Mr. Nixon: Mr. Speaker, I might ask the Minister a supplementary question. Has there been a reassessment of the priority with regard to that bridge and road?

Hon. Mr. Gomme: There has been, yes.

Mr. Nixon: Mr. Speaker, I would like to ask the Provincial Secretary if the liquor control board refusal to let licensed hotel owners truck beer for re-sale from independent breweries still operating?

Hon. Mr. Welch: Mr. Speaker, the liquor control board of the province has adopted a policy of not allowing any licensee to secure draught or bottled beer from any source other than those used prior to the strike. There is one minor exception in northern Ontario where, through prior arrangement, the licensees serviced by Dorans Breweries can receive their supplies of draught beer from independent union approved truckers. This is the only exception that I know of to that general rule.

Mr. Nixon: I wonder if the Provincial Secretary could explain the reason for that decision. Surely, those people who operate licensed premises should have the right to use what facilities are remaining in the province for the provision of this product.

Hon. Mr. Welch: I think the simplest way to answer the question, Mr. Speaker, is that to change this policy would, in fact, be placing the liquor control board in a situation of interfering with what is a labour-management dispute at the moment. The liquor control board assigns to all the licensees the source for their particular supplies. Those sources are now on strike and to allow any change in this plan would be, perhaps, to place the board in a position of attempting to interfere in these particular negotiations.

Mr. Nixon: So, Mr. Speaker, if I may? Under present regulations each hotel outlet gets its beer from one specified source.

Hon. Mr. Welch: It is my understanding, Mr. Speaker, from my consultation with those officials of the board that in southern Ontario all beer is supplied to these licensed premises through the Brewers' Warehouse Company in a regular way. All those particular sources are now closed as a result of this labour-management dispute.

Mr. Nixon: Mr. Speaker, this question might be asked during the estimates this afternoon but I thought it would be more appropriate before the orders of the day of the Attorney General.

Has the riot control chemical Mace, as used in London on July 3, been tested and approved by The Attorney General's Department?

Mr. Speaker: Perhaps the member for York South would place his similar question.

Mr. D. C. MacDonald (York South): Mr. Speaker, my question was in the context of a reply that the Minister gave on May 23, to a question regarding Mace, in which he stated that we had no plans for the use of Mace by any police force in Ontario; that the police commission was not satisfied that the substance was not injurious to the human body and that we had no training and no plans to use it at that time.

In light of that, I have four questions:

1. At what point of time, and on what grounds did the police commission conclude that Mace is not injurious to the human body?

2. When did the company in Preston, Ontario, start supplying Mace to Ontario police departments, and was this done with the Minister's knowledge and approval?

3. When was training in the use of Mace for riot control begun in Ontario?

4. Did the first use of Mace in Ontario, on the occasion of a teenage disturbance in London, take place with the Minister's knowledge and approval?

Hon. A. A. Wishart (Attorney General): Mr. Speaker, before answering the specific

questions from the hon. members may I point out that the Ontario police commission has no authority to direct municipal police forces as to what devices they may or may not use in discharging their duty. The commission does have the authority to consult with and advise the governing bodies of police forces on matters relating to policing under the authority of The Police Act, section 39b(b).

As I indicated on May 23, the commission had no plans for the use of Mace and it was not satisfied that the substance was not injurious to the human body. The commission is still of the same opinion. It has not been able to determine that question as yet. It is still the responsibility of the local police governing authorities to decide what equipment will be used by their forces and they are not required to have our approval or advice nor need they advise us as to what equipment they may intend using. If our advice is sought, we will give it but we have not assumed responsibility for the equipment of local forces as these responsibilities have been given by this Legislature to the local boards of police commissioners under The Police Act.

In this light, Mr. Speaker, may I answer the questions as follows:

1. The commission has not come to a conclusion that Mace is not injurious to the human body.

2. We have no knowledge as to when the company started supplying Mace to police departments, and it was not with our knowledge or approval. We were aware that some local forces had this product but we were not consulted by them.

3. We are aware of no programmes for the use of Mace and we certainly have no such programme; but some local forces may have been doing so without knowledge or approval.

4. The use of Mace by any force, including that in London, was without our knowledge or approval.

Mr. Speaker, the Ontario police commission has been attempting to obtain technical advice on the effect of this product as I pointed out in my answer on May 23. The local facilities, including our own laboratories have not had the animals necessary for the appropriate tests.

The situation is that in order to conduct a satisfactory test as to the effect of Mace on human beings they have to have an animal of the ape family—a monkey type. The skin will show the same effects or similar effects as would be shown on humans. Those animals have not been available to us, but the RCMP have advised us that they are having tests made by The Department of National Health and Welfare at Ottawa, and we will have the benefit of their advice. Until these tests have been properly assessed we are still of the view that the Ontario police commission will not advise the use of Mace.

I would like to say for myself that in my answer on May 23 I expressed serious reservations as to the use of this product by any police force—certainly until it had been established beyond all doubt that the effect of it, or that the use of it would not have a permanent or serious effect on some person who was sprayed with it. And I pointed out further that if a police force used it and such damage occurred the force would be subject to an action for damages. I do not know whether I expressed it at that time, but I would now say that I read that some police chief had said he felt it was more humane to use it than to use a billy, and I do not think I could agree with a general statement of that kind.

If there is any question of injury, particularly to eyesight or some of the organs of sense, or to the body generally, I would far rather, in my own view, be struck with a billy or beaten with a stick than be sprayed with Mace. My whole attitude is that until this substance has been proven beyond doubt to be noninjurious in its effects then police forces should not be using it. I hope my words will be taken note of. I express the most serious reservations about its use by police forces.

Mr. Nixon: Mr. Speaker, surely in the light of the statement made by the Attorney General, if I might phrase this as a supplementary question, would he not agree that over the past few weeks, when he was aware that some municipal forces were equipping themselves with this chemical, he should have made known his official views in this matter, so that it would not have come to such a situation where it was used without the research and approval that really, I believe, is necessary under these circumstances.

Hon. Mr. Wishart: Perhaps the hon. leader of the Opposition has a point. I think my remarks were widely disseminated in the press; they were known to the police forces, I am quite certain, and in fact some of them commented and indicated that they had it, but they did not intend to use it except in the

most desperate circumstances. I had expressed the view at that time, I think, to the hon. member for Grey-Bruce (Mr. Sargent) that I did not think we needed to follow the example of some of the forces in the United States, because we did not generally have situations of a riot nature here.

I would accept the suggestion of the hon. member, and I think I asked the police commission if further dissemination of my views is necessary to express them and to see that they are brought to the attention of police forces. But I do point out that they do not have the force of a directive, or an order; it can only be advice or counsel.

Mr. Nixon: Did I understand the answer the answer to the question correctly, that the Attorney General, even though he holds the view that he has expressed this afternoon, knew that these forces were equipping themselves with the chemical Mace, but did not feel he should offer them his opinion unless it was solicited?

Hon. Mr. Wishart: I think my opinion was well known to those forces, because it was commented on and I saw comments in a number of newspapers. I did not make a directive because I had no authority to do so. And to express a view would be nothing more than my own personal view on the matter.

Mr. MacDonald: Mr. Speaker, by way of a supplementary question, I assume from the Minister's answer that the police commission shares his apprehensions with regard to its use because he indicated that they still do not advocate its use. If the police commission has not the power to say, in effect, to local police forces, "You cannot use this," or "You should not use it now", has the government not got the power—and why does it not use it—to forbid its dissemination from the source in question? There is only one source which is manufacturing it. Have we not got the power, directly, or through the federal government, to stop the dissemination of something that we think is dangerous?

Hon. Mr. Wishart: While it might be dangerous—we do not know that it is dangerous; we are having tests done to see if it is dangerous—I am advised that tests which have been done in the United States have indicated that the substance has not proven to have any injurious effect, but we want to make certain of that on our own account. As to stopping its distribution, I think we would have to prove that it had an injurious effect, and this we are trying to find out.

Mr. MacDonald: We will have an opportunity to pursue so many ramifications of it at a later point – perhaps today.

Mr. Speaker, I have a question for the Minister of Education which I submitted yesterday. What role, if any, will the Minister or the council of regents play in resolving the situation created by the resignation of the president of the Lambton college of applied arts and technology over the alleged dictatorship of the board of governors?

Hon. W. G. Davis (Minister of Education): Mr. Speaker, the hon. member knows the regulations state very specifically that the board of governors has the power to make appointments to staff. This is one of its prime functions and it is not the intention of the Minister – and I have not had an opportunity to speak to any members of the council – but certainly as far as I am concerned we are not becoming involved in this particular situation in that this is an area of responsibility for the board of governors.

Mr. Speaker: The member for Timiskaming has a question from yesterday.

Mr. D. Jackson (Timiskaming): Mr. Speaker, I have a question left over from yesterday, of the Minister of Agriculture and Food. When will the fruit and vegetable inspector be appointed for the New Liskeard district?

Hon. Mr. Stewart: Mr. Speaker, I am happy to advise the hon. member that a fruit and vegetable inspector has already been appointed. His name is Davis Reeves. He is a very highly qualified and very capable and experienced inspector. He will be working out of Timmins and will serve the New Liskeard-Cobalt area.

Mr. Speaker: The Minister of Lands and Forests has answers to questions.

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, on Tuesday the hon. member for Cochrane South (Mr. Ferrier) asked me this question:

> What action will the Minister take to restore Leach Lake in Beatty township to its original condition after having been drained by the carelessness of an adjacent gravel pit operation? What steps will the Minister take to prevent any future destruction of our natural resources in this manner?

In reply, Mr. Speaker, to this question from the member for Cochrane South I

would like to advise that of the 26 acres covered by Leach Lake, 23 are patented under a town grant in 1912, the patent issued in 1929. This lake appears to be spring fed and it has no inlet and no outlet. Leo Alarie and Sons, Matheson, Ontario, have a gravel pit on privately owned land in close proximity to the lake and the lake breaks through and seeps into the pit. However, beaver dams have assisted in retaining some water in the north end of the lake.

Although the federal Navigable Waters Act comes under the jurisdiction of The Department of Lands and Forests it is doubtful that this lake can be considered to be navigable water. Ninety per cent of the lake bottom is owned by the patentee. The Lakes and Rivers Improvement Act, also under the jurisdiction of the department, deals with the matter of diversion of streams. It is questionable whether there has been a diversion in the case of Leach Lake. Since the area is of no use for recreational purposes, the department has no intention of taking any action in this matter.

Mr. T. Reid (Scarborough East): Mr. Speaker, I have a question of the Minister of Education, in two parts.

What immediate steps is the Minister of Education taking (a) to establish criteria for deciding what kind of information on pupils is to be recorded on their personal school information files and what kind of information shall not be permitted to be recorded; (b) to establish which teachers, school officials and Department of Education officials shall have access to a specific pupil's file and which teachers, school officials and Department of Education officials shall not have access; (c) to establish guidelines for teachers, school officials and Department of Education officials concerning the use of such personal and often subjective information to institutions of other levels of education, prospective employers, family services agencies, local police, RCMP, parents, and so on?

Secondly, what steps are other educational jurisdictions, such as the United Kingdom, Sweden and the state educational authorities in the United States, taking with respect to the three areas noted in part one of this question?

Hon. Mr. Davis: Mr. Speaker, directions for Ontario school records have been issued to schools for some 15 years and in the last several years a manual has been issued to principals and heads of guidance within the system. An additional publication will be produced in the near future to supplement this manual and in addition, as perhaps the hon. member knows, the department publishes a curriculum guide which includes information for the teachers. I should be delighted to make these publications available for the hon. member.

It is stressed that records are kept for the benefit of students and confidential information should be treated with discretion, and in this regard the principals and teachers have a heavy professional responsibility. In my view, the schools have acted in a highly responsible manner and there have been very few complaints regarding the improper use of confidential material over the past number of years.

The question of information and the law is a very complicated one and I do not think I am qualified, Mr. Speaker, to get into that aspect of it. But I would refer the hon. member to a book entitled "Law of Guidance and Counselling", edited by M. L. Ware, published by W. H. Anderson Company. As this book indicates, final answers have not been found in other jurisdictions. If the hon. member cannot obtain this is the legislative library, I have a copy and would be quite prepared to make it available to him.

In conclusion, Mr. Speaker, we are really quite aware of the problems, we are interested in the developments in other jurisdictions and we are continually seeking to improve our own system within this province. A continuing committee representative of teachers and headmasters has been meeting regularly since 1965 and is continuing to make valuable contributions to this very important area.

Mr. T. Reid: If I might ask a supplementary question, Mr. Speaker, would the Minister consider letting the Attorney General have a copy of the book "Law of Guidance and Counselling" for his good use?

Hon. Mr. Davis: Knowing that the Attorney General, Mr. Speaker, is the kind of individual who is quite prepared to read and listen to any constructive suggestions on any subject, I would be delighted to make this book available to him. Perhaps, when he has a few leisure moments when you gentlemen are finished asking all your relevant questions, he might have time to pursue it. I would be delighted to make it available to him at that time.

Mr. T. Reid: Mr. Speaker, a short supplementary question: The question is based on today's letter in the *Globe and Mail*, in the letters to the editor column, by Lawrence

Daub—from Ottawa. No doubt the Minister has read this letter.

My question is: Does the Minister think that the usefulness of the cumulative record card is somewhat defeated by the attitude of this person from Ottawa at least, to be very careful not to write anything that might possibly, in any way, be to the detriment of the pupil concerned? Mr. Speaker, the comments are made with reference to the Attorney General's comment about the use of such information in the courts. I was wondering whether the Minister of Education feels therefore, Mr. Speaker, whether the record might become less useful for the purposes of education now that we have had this most unfortunate incident to which the letter refers.

Hon. Mr. Davis: Mr. Speaker, I assume this is a supplementary question. I am still of the opinion that the records that are being kept and established and becoming more sophisticated cannot help but be beneficial to the educational programme of the students involved and I do not think one single incident where, perhaps, there was some question related to them, should in any way reflect on the total availability of the student records as a beneficial part of the educational process.

Mr. R. Gisborn (Hamilton East): Mr. Speaker, a question before the orders of the day for the hon. Minister of Labour:

1. Will the Minister cause a special investigation to be made into the elevator failure at the Beverly Hills apartments, Hamilton, on July 1?

2. When was the elevator last inspected?

3. Will the Minister attempt to assure apartment dwellers in Ontario that their elevators are accident-proof?

Hon. D. A. Bales (Minister of Labour): Mr. Speaker, in reply to the question of the hon. member for Hamilton East, an elevator inspector from The Department of Labour is carrying out an inspection today of the four elevators in this particular apartment building.

The second part: The elevators were inspected and passed on September 29, 1967. In the normal course, their next inspection would have been in September. No piece of mechanical equipment is accident-proof; for this reason we have rigid safety standards and a system of elevator licensing and regular inspections throughout the province, as well as a system of licensing contractors who install and maintain elevators. These programmes are designed to attempt to ensure that elevator accidents do not happen. They have proven their worth because we have a very low accident record in this field in this province. The assurance that I can give apartment dwellers and others in the province is that we will continue to carry out these programmes vigorously to attempt to ensure that elevators are as safe as possible.

Mr. Speaker: The member for Cochrane South.

Mr. W. Ferrier (Cochrane South): Mr. Speaker, I have a question for the Minister of Education. How many teachers were there at the Porcupine campus of the Northern college of applied arts and technology in the 1967-1968 school year? How many of these teachers have resigned and what were the reasons for these resignations?

Hon. Mr. Davis: Mr. Speaker, the answer is somewhat comparable to the answer given to the member for York South. Once again, the question of appointment of staff is under the jurisdiction of the college concerned. I was able to ascertain that at the Porcupine campus in October there were some ten teachers. If the hon. member wishes to make further enquiry he should contact the Northern college of applied arts and technology, and he might communicate with the president Mr. O. E. Walli, post office Box 1062, Timmins. If you are in a rush, the telephone number is 264-9413; unfortunately I could not get the area code.

Mr. Speaker: The member for High Park.

Mr. M. Shulman (High Park): Mr. Speaker, I have my second question this session for the Minister of Correctional Services.

Interjections by hon. members.

Mr. Shulman: What were the various reasons, other than the one mentioned by the Minister yesterday, for the inmates' disturbance at Burwash this week?

Hon. A. Grossman (Minister of Correctional Services): Mr. Speaker, the matter is still under investigation and I will have to await the report of the investigating team before I have all of the facts. When I have them, I will be in a better position to advise the hon. member.

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third reading upon motions:

Bill 135, An Act to amend The Consumer Protection Act, 1966.

Bill 153, An Act to amend The Corporations Act.

THE TEACHERS' SUPERANNUATION ACT

Hon. W. G. Davis (Minister of Education) moves second reading of Bill 162, An Act to amend The Teachers' Superannuation Act.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, as I read the bill that the Minister has put before the House, I see it is tidying up some difficulty that has been under discussion for some time between the commission and the teachers concerned. But an omission in the bill, that I want to bring to the Minister's attention, is that we still are very seriously lax in meeting our obligation to those citizens of the province who have been—

Mr. Speaker: Order, please! Will the members please give the leader of the Opposition a hearing?

Mr. Nixon: Thank you, Mr. Speaker. I know that the Minister of Education is interested in these matters, as all members should be. We have all of us, surely, been very formally approached by those teachers who, having retired for some years after 40 years of service and contributing to the pension fund for most of that time, now find themselves receiving the minimum pension provided by law of $50 per month.

There has been the feeling on all the sides of the House for some time, certainly since 1961, that the government should move to apply the credit of and the funds of the province to assist the teachers in getting justice for the service that they have rendered; and in the light that they now face changes in the cost of living.

We have to relate this, of course, to the fact that the pension fund is operated by the province of Ontario and that it is the province's responsibility to see that contributions are at a level which will permit payments of pensions in the future that will meet the requirements of the cost of living. It is certainly required by all of us here to take the steps to see that the pension is payable now and is commensurate with this responsibility.

I have been approached personally by a former head of the science department of one of the collegiates that I attended, and I know him to be an outstanding teacher. He has been a leader in his profession across the province, and he taught with gratifying results. For 40 years he was a leader in the community and still is in many ways. The story that he put before me is one that really I felt was completely unconscionable. We in this province are bolstering the teachers' superannuation fund with large infusions of capital, which are basically bookkeeping entries as I understand them, to compensate for the improper way—and I can use the word under these circumstances—that the fund has been handled over the years.

Surely it is time that we took the steps necessary to see that those people who have been superannuated from this profession are going to be treated in a fair and just way. It has been said so many times on this side and felt by members on all sides, that apparently the government is waiting for the grim reaper to solve their problems. Undoubtedly he will, but we still have to have a superannuation fund which will meet these needs, and which will be up to date. I would urge, Mr. Speaker, that the Minister responsible take the opportunity to amend the bill so that we can see this justice granted to the teachers of the province.

Mr. W. G. Pitman (Peterborough): Mr. Speaker, I would like to commence my remarks by associating myself with those already made by the hon. leader of the Opposition. I think that this Legislature does have a very singular responsibility to those teachers who led the youth of this province some years ago and who now find they must support themselves on pensions that are so obviously inadequate that they are really a shame to the entire province. The Minister has stated that when we can do something about all the other civil servants, then we can turn to the teachers. I think that this was the import of his comment when he was questioned on this some weeks ago.

I suggest to the Minister that we have taken action in the past, I think we took action a few years ago. I do not think we waited until we had looked after every other civil servant. I am not, in any sense, suggesting that the griefs of the other civil servants are any more or less necessary for us to consider, but I do think that this should be looked upon on its own. I do not think that it can be linked to the needs of all the other people in the province.

I think that this is a matter which has come before the Legislature on at least four, five or six occasions, and I think that every member of the House has met with superannuated teachers who have brought to them, I am sure, stories of some very real hardship. I would hope that very, very soon we will see an amendment to the bill which will allow us to deal more generously and justly with those who have taught in our schools in the past.

I want to make one or two other comments in relation to this legislation. It is my understanding that the securities which are sold to the Ontario government are sold at something like 5 per cent. That is to say they are sold by the teachers' superannuation fund to the Ontario government. I think that just two days ago we passed a piece of legislation in relation to the Ontario municipal employees' fund which is paying the percentage at 6.5 per cent. I am wondering why the Minister has not taken the time or this opportunity to give the teachers a more just return on the money being lent to the Ontario government. Why are we not pegging it at least at 6.5 per cent? In fact, there are those who stated in view of the interest rates now being paid that this is not overly generous. But I think that at 5 per cent there is a very real source of injustice in relation to this particular bill.

There are other items in this bill which I think are significant and which I think will probably come forward as we deal with each section individually. There is one aspect of it that does bother me. I notice that we have set apart those people who may be going to the teachers' colleges which will hereafter be part of the university. Here again, I think there may very well be, in this effort to be just to those who are going to teachers' colleges and find themselves in the employ of the university, there very well may be a source of division between those who are in the teachers' colleges and those who are a part of the university staff. I am wondering if the Minister might not consider, at some time in the future, the whole question of the movement of people within the educational system all the way—not just from kindergarten to the grade 13, but from kindergarten right through to the college of applied arts and technology or to the university.

In other words, is it not time to consider ways and means of making it possible for people to move in and out of different levels in the educational system so that there may very well be an opportunity for a person to move, either from the university or the secondary school fields to the elementary school easily and also from the secondary school field to the university without this problem of losing pension rights and losing advantages in one's pension.

I bring this matter to the attention of the Minister because I think that this is a part of a general philosophy which we are trying to extend in Ontario. There is no particular division of education, whether it be carried on at the university level or at the kindergarten level and we may very well find a need for people with perhaps MA or Ph.D. degrees at grades 1, 2 and 3 as well as at the university level. I think that anything we can do to make it possible for people to move in and out and up and down in our educational system is to the good.

On the whole, I think that this bill is a good bill. It is, as the Minister says, a housekeeping bill but I would think that good housekeeping is one of the responsibilities of this Minister as well as new flights of educational imagination.

Mr. Speaker: Perhaps, the Minister would wait until other members who wish to engage in the debate have done so.

Mr. C. G. Pilkey (Oshawa): Mr. Speaker, to the Minister, being rather new to the House I am not too familiar with this superannuation fund the teachers have, but a few weeks ago a delegation in my home town appeared at my place and wanted to discuss the superannuation fund with me. So I invited them in and the position that they took was that they were being short changed, if I could use that term, in regard to their pensions, through this superannuation fund. They went on to give me the history of the fund which started in 1917. Originally, they took the best 40 years or the last 40 years of teaching—I do not know how long a teacher had to teach in those days but they took 40 years—and calculated their pension. Then it went to 15 years and then it went to 10, as I understand it, and presently they use the best seven years to determine what the benefit should be.

First of all, I would like to say that in my opinion, if they are going to make the calculation on the best seven years—and I understand that started in the year 1966—it would appear to me that we should have incorporated all of the teachers who were on pension at that time and used their last seven years

in making the calculation. Obviously, this would have increased the pensions of those who have retired prior to 1966 or the date of that calculation.

In addition to that, I am sure that there are many teachers in this province who must be existing—I honestly was not aware of this but I am now—on a very minimal pension and it would appear to me that this province owes something to those teachers who gave a great portion of their lives to the people of this province in terms of the teaching profession. They have only one place to come to, and that is to this Legislature, to at least get some equity in terms of the cost of living today. This is the only place that they have appealed to, and I would suggest, Mr. Speaker, that the teachers of this province who have retired and who are living on this minimal pension should be given the consideration that would be necessary to bring their standard of living up to today's level.

Mr. Speaker: Is there any other member who wishes to speak before the Minister? The Minister of Education has the floor.

Hon. Mr. Davis: Mr. Speaker, just to reply very briefly, because we did discuss this in some detail during the consideration of the estimates of the department, I should point out about the group of teachers that has made representation to the government for, I believe, some 16 to 18 months, that its submissions or requests to the government are under consideration.

But as was pointed out during my estimates, sir, I do not believe these things can be done in isolation. I think the government has a responsibility to people other than the teaching profession, much as I may feel some relationship to that profession. I think the government has a total responsibility and if we were to make a change in policy in one area, I say with respect, Mr. Speaker, I think it is necessary to consider other people who perhaps have similar requests to make. I should also point out to the leader of the Opposition, that while this matter has been discussed—

Mr. Nixon: That is what your predecessor said in 1962.

Hon. Mr. Davis: With great respect, Mr. Speaker, the problem that the hon. leader of the Opposition referred to was in fact resolved two years ago, dealing with that particular group of teachers. This problem arose in 1966 when the Canada pension plan came into being and the decision was made then to integrate it with The Teachers' Superannuation Act. The seven-year period was used and those teachers who retired prior to that date are the ones who feel that they now have been prejudiced to some degree, depending on the amount of pension they are receiving. It is not the same situation that the hon. leader of the Opposition refers to as existing, say, from 1961.

Mr. Nixon: You have made some changes just the same, it is the same attitude of the government.

Hon. Mr. Davis: It is not the same attitude of the government, Mr. Speaker. The attitude of the government is a very responsible one, recognizing we have an obligation to a large number of people not just in the teaching profession.

I would also point out to the member for Peterborough, and I know that he has some very genuine interest in the teacher's superannuation fund, that I think, looking at it very logically, the interest rate being paid by the province to the teachers' superannuation fund does not tell the whole story. I think one must accept the fact that there is a fairly high degree of subsidization going into the fund from the public of the province of Ontario, and surely, if we can obtain money from that fund to benefit the total public, this is *quid pro quo.* I do not think that the teachers, and they have not raised it in any serious fashion with me, can have any objection to the rate of interest being paid when there are many millions of dollars being contributed into the fund every year by the general taxpaying public to assist in the payment of pensions to the teachers.

I am interested in the other observation made by the member for Peterborough. Perhaps, sir, he is suggesting that the government should determine and have a uniform pension policy for all universities in the province of Ontario so that they could relate to the teachers' superannuation fund. If he wishes to pursue this further, he could send me some information and thinking on this over a period of time. I think it is a matter that really does not relate to the principle of this bill and I think that perhaps I am not prepared to carry on that aspect of the discussion at this particular moment.

Motion agreed to; second reading of the bill.

THE ONTARIO SCHOOL TRUSTEES' COUNCIL ACT

Hon. Mr. Davis moves second reading of Bill 163, An Act to amend The Ontario School Trustees' Council Act.

Mr. Pitman: I would like to ask a question, Mr. Speaker. It is my understanding that the various trustees' groups across the province at present are considering uniting. There are a number of these groups listed on the first page of Bill 163, and I am wondering whether passing the bill at this point is filled with wisdom in view of the fact of this unification taking place. Does the Minister see the necessity then to pass another bill as soon as these changes have been made?

As the Minister is well aware, the creation of large units of administration across the province has had a very real effect upon the trustees and upon their decisions in relation to their own organizations. I would just like a comment from the Minister in relation to that matter before we pass this bill.

Hon. Mr. Davis: Mr. Speaker, I had hoped that perhaps I had mentioned that during the introduction of the bill, but perhaps I did not. If the hon. member would read the bill closely, it refers to the Lieutenant-Governor in council being given the right to determine the representatives to the trustees' council. If this right then exists if the trustee groups come together, which I anticipate they will do this fall, then the trustees' council can continue and the Lieutenant-Governor can make regulations as to just which group appoints whom to the council, and really it has been passed with the consolidation in mind. This was their request that it be done in this way, so that they would have this power.

Motion agreed to; second reading of the bill.

THE TEACHING PROFESSION ACT

Hon. Mr. Davis moves second reading of Bill 164, an Act to amend The Teaching Profession Act.

Mr. Pitman: Mr. Speaker, this again is simply a housekeeping measure. However, I did want to comment on this because I think that a number of members in the House received letters from constituents across the province which seemed to have been initiated by a purported piece of legislation which the member for Eglinton (Mr. Reilly) is introducing into the House in opposition to compulsory unionism.

I did want to make the point at this juncture that this is a piece of legislation which obviously goes directly against the desires of the member for Eglinton, and seeing I have written about 30 or 40 letters to people in relation to this particular purported legislation, I would like at least to make my comments clear on this point, and be able to send these individuals a copy of this *Hansard* which will record either his acquiescence in this particular piece of compulsory unionism or will record his silence.

Personally I think it is a good piece of legislation, but I think that this should be put in the context of what the member for Eglinton has been writing to people across this province.

Mr. Speaker: Is there any other member with a question for the Minister?

The motion is for second reading of Bill 164. Is it the pleasure of the House that the motion carry?

Motion agreed to; second reading of the bill.

THE PUBLIC SCHOOLS ACT

Hon. Mr. Davis moves second reading of Bill 165, An Act to amend The Public Schools Act.

Hon. Mr. Davis: Mr. Speaker, I might point out that in case the members have some general observations, these bills will all be going to the education committee.

Motion agreed to; second reading of the bill.

THE DEPARTMENT OF EDUCATION ACT

Hon. Mr. Davis moves second reading of Bill 166, An Act to amend The Department of Education Act.

Mr. Pitman: Mr. Speaker, I think this is the first day these bills have appeared printed; I was trying to get copies of them previously, and was unable to read them—

Mr. Speaker: I would like to advise the member before he proceeds, the Clerk advises me that this bill was in the books yesterday.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I will say there is no desire on the part of the government to push any of these bills through. If the members have not had a chance to examine them we could hold this out probably until next week. I was going to call the 14th order, the 15th order and the 16th order. If you want any of these held until the beginning of the week, I would be happy to do so.

Mr. Pitman: Mr. Speaker, if I might speak to the comment of the Prime Minister. I think that these are essentially housekeeping bills, and I think we would be quite willing to allow these through on the assurance that they will be coming before the education committee in the near future, and we have an opportunity to comment on them at that time.

Hon. Mr. Robarts: They will go to the education committee. Quite frankly, that is why I wanted to clear them, so that they may be in a position to go to that committee.

Motion agreed to; second reading of the bill.

THE SECONDARY SCHOOLS AND BOARDS OF EDUCATION ACT

Hon. Mr. Davis moves second reading of Bill 167, An Act to amend The Secondary Schools and Boards of Education Act.

Motion agreed to; second reading of the bill.

THE SEPARATE SCHOOLS ACT

Hon. Mr. Davis moves second reading of Bill 168, An Act to amend The Separate Schools Act.

Mr. Nixon: Mr. Speaker, I hardly agree with the member for Peterborough that this bill is a housekeeping bill. I think it undertakes a very far-reaching reform in the education system of the province in that it implements for the separate schools the same sort of county jurisdictions that were implemented for the public schools under Bill 44 which is presently before the House in committee. The provisions of this bill are very similar in many respects in that they are designed to meet the special needs of larger areas of jurisdiction which we, of course, have supported for some time including Bill 44, which was of a similar nature. Our objections at that time were made to the House, Mr. Speaker, and to the Minister.

I am quite interested to find, however, in this particular bill, that the Minister has reserved for himself—immediately upon passage of the bill, and when it goes into effect through proclamation—the right to alter the boundaries of any area as he desires. This is not a right that he has asked for in the companion Bill 44, and it is an area that has brought forward some considerable discussion among those interested in the legislation. I personally believe that this is the sort of freedom of action that the Minister of Education or the government of the day must have in order to see that the boundaries meet the needs that are bound to change—not just in the distant future, but may in fact require some changing in the immediate future.

This is particularly true of Bill 44, and I am sure that those people who are served by the separate school system, and who will have the responsibility of being elected members of the separate school boards will soon find that the rigidity of county boundaries does not meet modern needs. I would think they would petition the Minister in short order for some reasonable changes that would allow these boundaries to adapt themselves to the school community as it has been developing over many years. The bill, of course, is one that was considered, no doubt, by many people in education. I had the impression that the Minister was going to postpone its enactment for some months, perhaps a year or two, until some more experience with the revisions brought about by Bill 44 had been experienced.

However, it is now before us. I think it is an excellent piece of legislation—in its principle. I have enquired among those who are going to be most directly affected by it—those of the trustees of the separate school boards presently, and among parents in my own area—and all of them agree that this is something they desire. They desire as well as this, of course, a continuation of a public authority over separate school affairs through the whole range of education from kindergarten to grade 13. When we read the recommendations of the Hall report, we can see, that the members of that committee wrestled with this problem for a period of probably three years, and the obvious problem that is presented to us so frequently by many people in the province, that the separate school boards should be given this jurisdiction over a larger area, sir. The Hall

recommendations broke down simply to the urging to the government that a select committee of the House examine the matter.

So we can see that it is a knotty problem for anyone to solve; whether from a political standpoint or from a completely objective educational standpoint, it is a very difficult problem indeed. However, they do present some recommendations that I think are going to have to be considered by the government—perhaps not in this bill but as a companion to it in the future—and one is the recommendation that facilities beyond grade 10 be established on a sharing basis. I think this is generally accepted by many people, that this is one way whereby the expensive facilities for secondary education, which are presently being provided privately by the Roman Catholic schools, can be made available on a shared basis so that we can approach equality of opportunity more readily than we have in the past.

Mr. Speaker, you were in the chair, I believe, last year when I brought to the attention of the Minister of Education my views in the provision of textbooks, for example, that the grants for textbooks should be made available to the individual student without regard to the school that he attends. I think there is some considerable movement that can be taken by the Minister in meeting the needs of continuing separate education. The bill as it is before us is one that sets up a parallel system for county jurisdictions.

I have the same objections as I had in Bill 44 as to the rigidity of these boundaries. I am delighted that under section—I do not know what it is but it is listed as section 75 on page 6 of the bill—the Minister reserves to himself, and to advise the Lieutenant-Governor, to alter these boundaries in such a way as would improve the situation and get away from the rigidity that is built into Bill 44.

Mr. Pitman: Well, Mr. Speaker, once again I think this is an excellent piece of legislation. I too have been in touch with the chairman of the separate school board in my area and also with other people who are closely associated with the separate school system. I have the same reservations as have already been expressed with the larger units which we find in Bill 44—that is, the much larger units than perhaps were necessary in terms of school population in Bill 44. Rather surprisingly this bill turned out to be a better bill than Bill 44 simply because there were fewer separate school pupils. Therefore, I do not think you have the—I do not like to use the word "monstrosities"—but you might say the unfortunate number of students that you find in some jurisdictions under that very hardened piece of legislation. I think in the Hall-Dennis report it suggests that really, after one reaches 20,000 students, there is a levelling off, that you really do not appreciably improve the system but you do lose the sense of intimacy which people have with the education of their own children.

And I hope that possibly the attention which the department has given to this bill will perhaps lead the department to have new insights into their treatment of the public school system in Bill 44 and will allow certain changes, possibly amendments, when Bill 44 comes before this House in committee, which will, as it does in this bill, allow the Minister to use his power, his wisdom, to provide the best possible education system rather than the most inflexible one which, unfortunately in some cases exists at the present time.

The second observation I have to make on this piece of legislation, Mr. Speaker, relates to the method by which it was accomplished. I come up with the question, why? Why was it not done this way in relation to Bill 44? Why was it we had to have a kind of war with 1,600 school boards—

Mr. Speaker: Perhaps the member would keep to Bill 168, because that is the bill the principle of which is under discussion now. Bill 44 has been passed.

Mr. Pitman: Yes, well, I shall certainly take the admonition of the chair in relation to my comments. However, I do want to congratulate the Minister on the method by which he has brought together the separate school trustees across the province, has negotiated with them and discussed with them, has had an interchange of opinion, an interchange of wisdom, and come up with a bill which has not only been agreeable in its implementation but has also been an excellent piece of legislation. May I also finally suggest that this may very well be the beginning of a new role in our relationship with the separate school system across the province. I would hope that by the imposing of larger units we will be able as the Hall-Dennis report suggests, to find some acceptable method of financing the separate school system to the end of grade 13.

Now, I know this is a matter of great delicacy and I realize it is a matter of some very real political poignancy in some ways, but I think we are surely reaching a period

in our history when, with the use of computers, with the existence of, I think, a much less heated kind of religious atmosphere, we can assess what are the real public contributions of our separate school system, where we can, I am sure, show where there can be a sharing of not only human resources but of physical resources as well. In such a way I hope this is the first step towards the removal of this whole matter from public discussion, as the Hall-Dennis report suggests. I think this is a good piece of legislation; it is more flexible; it was carried out, I think, in a proper way, and I hope it is the first step to a new kind of future in the relationship of the separate and the public school systems in this province.

Mr. Speaker: Is there any other member who wishes to speak to this bill? Does the Minister wish to make any comment?

Hon. Mr. Davis: Just one or two very brief comments, Mr. Speaker. When I introduced the bill I did express my appreciation to the separate school trustees association. They were very helpful in the discussion period of this legislation. I might point out to the member for Peterborough and the hon. leader of the Opposition, that they feel this has greater flexibility. Actually, when the regulations are provided, particularly in southern Ontario, I think you will find that the recommendations from the separate school trustees themselves involve larger geographic units that are involved in Bill 44. There will be smaller number of students but large geographic areas. I think it also should be pointed out that even under existing legislation referring to the Hall commission report, there are now legislative means whereby the public school system and the separate school system in some areas of special education can relate their programmes, thus providing broader educational opportunities for all youngsters within the system.

This, Mr. Speaker, has been—as I am sure the hon. members opposite who are dealing with this—recognize, because of the historical background behind the separate schools in this province—it has been rather difficult legislation to develop and to document, and I personally am very pleased with the way it has turned out. I think we can look forward to the same growth and the same benefits in the changed administration for the public school system now accruing to the separate school system of this province as well. It will not be—I should make this very clear—an easy task for the separate school system to have this in shape by January 1, 1969. But they themselves pursued it, they wished this to be done this current year and we co-operated to the best of our abilities to see that they could start on January 1, but I want to make it very clear that there are real problems. Yet they feel—and I have confidence in their abilities—they feel they can cope with them by January 1, 1969.

Motion agreed to; second reading of the bill.

Clerk of the House: The 7th order, committee of the whole House; Mr. A. E. Reuter in the chair.

The Honourable the Lieutenant-Governor recommends the following:

RESOLVED:

That where a corporation that is not subject to taxation under section 31 of The Income Tax Act (Canada), or that has elected to be taxed under section 31 of The Income Tax Act (Canada) pursuant to the provisions of section 110 of that Act, owns land in Ontario or owns land in Ontario and other provinces and territories of Canada and does not otherwise have a permanent establishment in Canada, it shall pay to Her Majesty for the use of Ontario the taxes imposed by The Corporations Tax Act, in accordance with that Act,

as amended by the provisions of Bill 143, An Act to amend The Corporations Tax Act.

Resolution concurred in.

THE CORPORATIONS TAX ACT

The House in committee on Bill 143, An Act to amend The Corporations Tax Act.

Section 1 agreed to.

On section 2:

Mr. J. Renwick (Riverdale): I wonder if the Provincial Treasurer would give us an example of the kind of corporation which is now brought within the taxing net of the province of Ontario under this section?

Hon. C. S. MacNaughton (Provincial Treasurer): Yes, Mr. Chairman. I have a somewhat broader explanation than appears in the marginal notes, and with your permission I will read it. Section 2 of The Corporations Tax Act defines the circumstances under which a corporation has a permanent establishment in Ontario and is therefore liable for corporations tax. Subsection 7 of the Act

firstly provides that where a corporation otherwise having a permanent establishment in Canada, owns land in a province, such land is a permanent establishment.

It is now proposed to add a further definition to that Act in the form of subsection 7 (a) to widen the permanent establishment to include land owned by a corporation which does not otherwise have a permanent establishment in Canada, where that corporation has been incorporated in the jurisdiction outside of Canada and which jurisdiction has not entered into a tax convention or treaty with Canada. There are so-called tax haven corporations which are incorporated under the laws of a foreign jurisdiction and which corporations are subject to little or no income tax, in the jurisdiction in which they are incorporated.

The tax haven corporation can own land or beneficially own land through a trust arrangement in Ontario and earn profits in Ontario, and yet pay no income tax in Ontario and little or no income tax in the jurisdiction in which it is incorporated. As the Act now stands, non-resident corporations of this type cannot be taxed in Ontario. The intention of subsection 7(a) is to tax a tax haven corporation unless such corporations otherwise pay base tax, and have entered into a convention or treaty with Canada.

Once having widened the permanent establishment concept, other sections of the Act have to be amended to provide for allocation of income for purposes of assessing tax. These amendments are set out in the following sections and subsections of the bill. Section 31 provides for allocation of income between provinces of income of so called tax haven corporations. Section 35 provides for the taxing of corporations which would otherwise not be liable for income tax, and provides for the taxing of other non-resident corporations which own land in Ontario, for such corporations elect to be taxed on taxable income rather than a 15-per-cent holding tax on gross revenue. Section 4 provides for extending the definition of paid-up capital to include those corporations covered under section 35 of the bill. There is no corresponding provision presently in the income tax of Canada for this purpose.

Mr. J. Renwick: Mr. Chairman, I believe that I understand what the Minister said. Could he please assist me by giving me the name of any such corporation which would now be subject to tax in the province, not previously subject to such tax, or is that possible?

Hon. Mr. MacNaughton: Mr. Chairman, it would be possible, but I cannot recall from memory a corporation that I could identify by name at the moment. Of course the information is available. I doubt very much, on the other hand, that if it is available, it could be disclosed.

Mr. J. Renwick: I am not attempting to pin the hon. Minister down, but perhaps at some point he could let me know the number of such corporations rather than the name of one which will now be subject to tax. The reason for my question is obvious—that I am curious as to the extent by which companies incorporated in so-called tax havens are in fact now recognized for tax purposes, if they want to have that kind of tax recognition in the province of Ontario, by reason of the ownership of land. The corollary question is: Who are the people who own the shares in a tax haven corporation owning land in the province?

Hon. Mr. MacNaughton: I think that the hon. member will understand that the general information can probably be provided, but specific information as far as taxpayers are concerned, is not disclosed for obvious reasons.

Mr. E. W. Sopha (Sudbury): May I enquire what are the names of the principal jurisdictions which the bill contemplates, and which do not have a convention with Canada?

Hon. Mr. MacNaughton: Mr. Chairman, I do not have that precise information here, but it is available and I can make it available to the hon. member. I will get it. It is sufficient to say that this tax haven situation does exist and it is reasonable to assume that it may continue to exist even in broader terms or the amendments would not be proposed here today. I did not come armed with the specific information that is being requested.

Mr. Sopha: You should have.

Hon. Mr. MacNaughton: Obviously, of course, the Bahamas, Panama and Lichtenstein are the ones that would come to mind, under any circumstances, Mr. Chairman.

Mr. Sopha: The migration of the people who thought so little of their Canadianism that they gave it up, started some years ago. Might we enquire why it is only in the latter days that some curative provisions are sought from the Legislature? Is that a fair question?

Hon. Mr. MacNaughton: Better late than never.

Mr. Sopha: Yes, but make it retroactive. It should not fail to escape notice that when we are dealing in the field of corporation tax, the language always becomes so sophisticated and complex. In order to bring about a state of equity, the people should pay the taxes that they ought to pay. With the workman, of course, the tax is deducted at source and he never sees it and everything is so infinitely simple. He just never gets the money because the employer deducts it for the state, obligingly, and transmits it, and suffers severe penalties if he does not transmit it, and has to pay the tax.

But in the world of corporations, with all the experts that they have, the Provincial Treasurer and his assistants have to get involved in such complex language to accomplish equity. All that will be cured, of course, when and if the Carter commission recommendations are adopted, and a dollar is treated as a dollar.

Mr. D. C. MacDonald (York South): Do you think that there is some possibility of that?

Mr. Sopha: Yes, that is their responsibility.

Mr. MacDonald: Is there some possibility of that in the next few years?

Mr. Sopha: I do not know. Do not ask me, I am the last one that they will ask.

Mr. MacDonald: If you want to know where the pressure is coming from, I will give you one guess—the New Democratic Party.

Mr. Sopha: The other observation that I want to make is in relation to this phrase "permanent establishment", and here I want to indulge in some, I suppose, heresy. I see no reason at all why Ontario should not say to corporations who are taking advantage of a tax haven that if they want to own land in Ontario and part of the assets of the province, then we insist that they erect a permanent establishment in Ontario of some form. I do not think that that is too unreasonable on the part of the government in Ontario. I am talking about the actual erection of a building instead of leaving it in the way that this statute leaves it, in the world of fiction. This statute speaks of "deeming it to have a permanent residence". What is really wrong, I ask rhetorically, with instead of the fictional "deeming" of a residence, that we actually see one at the corner of Bloor and—

Hon. Mr. MacNaughton: We are on section 3 now.

Mr. Nixon: At College and University.

Mr. Sopha: College and University—we should actually see it. Other jurisdictions that would deny they are less democratic than we are, have made such a provision. The government of Quebec has moved in that direction, has said to corporations, "You are doing business in our province, you will have a head office in the province." But Ontario lags behind other jurisdictions, like the Benelux countries and even Mexico. Mexico and Argentina have similar provisions, but the attitude of our government is that it is consistent with the Premier's trek to Los Angeles and the blue sky and the free rain: "Come into Ontario and we will make life comfortable for you." That is the message he seems to purvey down there, that there are very few restrictions on the manner in which you do business in Ontario and the branch plant economy. It is implicit right in that section.

An hon. member: Section 2?

Mr. Sopha: Right in that section of the bill—that blue sky policy is implicit there, and it is the one against which I complain. If you want to look at the very words, it says: "—shall be deemed to be a permanent establishment." Section 2, page 2, second line. Have you got it? Have you focused on it?

Mr. Nixon: Second word.

Mr. Sopha: No, it is the first word on the second line, "deemed to be—"

Mr. Chairman: It is not on page 2.

Mr. Sopha: Oh, yes.

Mr. Chairman: It is on the inside cover of—

Mr. Sopha: Page 2.

Mr. Chairman: Inside the cover. We are dealing with section 2.

Mr. Sopha: We are on page 2. Maybe we are dealing with a different bill.

Mr. Nixon: Section 2 runs over to the next page.

Mr. Sopha: You located it?

Mr. Chairman: Will the member repeat the words?

Mr. Sopha: Deemed to be a permanent establishment in the province.

Mr. Chairman: All right. I am referring to section 2; it does not say "Shall be deemed to have" but it does say "deemed to be". That is right.

Mr. Sopha: How am I ranging far afield when I say instead of deeming to be a permanent establishment, you insist that they build a permanent establishment?

Hon. Mr. MacNaughton: I am talking about these references.

Mr. Sopha: If I say that you insist they build one in Ontario, that they have an office in Ontario, made of concrete, cement blocks, steel and everything else, you say that it is.

Hon. Mr. Robarts: How many storeys?

Mr. Sopha: Moderate and adequate. The Premier can get very smart and frivolous about this, but a very real problem with the utilization of our resources of this province is the reluctance of this government to require these corporations to act with civilized behaviour consistent with the interests of our people.

He will not be laughing if it is announced in a few weeks that Texas Gulf Sulphur is building their smelter across the Quebec border, near Noranda.

Mr. Nixon: Is there a chance of that?

Mr. Sopha: There is a likelihood, we are told. He will not treat that as being frivolous.

Mr. Chairman: Section 2?

Mr. J. Renwick: Mr. Chairman, at the risk of continuing an abuse of the committee, I would like to underline my concurrence in what the member for Sudbury has said, not about the latter point, but about the fact that an amending bill to the tax bill, such as this, illustrates very clearly the care and attention which experts can give to corporations' taxes which is not available to the ordinary citizen under the correlative statute, The Income Tax Act of Canada. I think the Provincial Treasurer should be very well aware that most of this type of legislation is self-serving in many respects of special interests in the community. Part of it, of course, is the reaction of the Treasury to those various self-serving interests.

I am certain that the Provincial Treasurer is well aware that the corporate tax bar is both ingenious and inventive in protecting the interests of the corporate clients in this province.

Mr. Chairman: Section 2?

Mr. J. E. Bullbrook (Sarnia): Mr. Chairman, I wonder if I might direct a question to the hon. Provincial Treasurer, recognizing my limitation of knowledge. Sir, would I not be correct—if I was wishing to set up, for example, a manufacturing operation here in the province of Ontario, incorporated in the Bahamas, your intention is under the deeming section 2 here, that if they own land they shall now be deemed to have a permanent residence? Is it not open to me, sir, to associate an independent corporation for land holding purposes? Subsection 2, therefore, will not be applicable to the manufacturing operation.

I am just wondering if the question of associated corporations does give you any concern here? It seems like an obvious opening to me but perhaps with my limited knowledge it is not an obvious opening.

Hon. Mr. MacNaughton: I think not, Mr. Chairman. I rather like to think that it is a substantial step forward in that the extent to which land ownership is deemed to be the residence, or whatever the appropriate word is for taxing purposes, brings us a step forward. It may even bring us closer to the realization of the proposition that the hon. member for Sudbury made, in that if there is no existing property, the actual physical property may well find its way into the jurisdiction.

Mr. Bullbrook: I just think all we have to do is set up a dummy corporation and enter into a lease-back arrangement, and your section 2 is not operative as far as the profits emanating from the manufacturing operation, as I see it.

Section 2 agreed to.

On section 3:

Mr. J. Renwick: Mr. Chairman, on section 3 in sub-clause 5, I notice two provisions of that sub-clause; one deals with such a corporation not being subject to tax under section 31 of The Income Tax Act of Canada and the other is applicable to corporations which elect to be taxed under that section of The Income Tax Act of Canada.

I cannot understand why, in the one case, the reference is only to the portion of its taxable income arising from the sale of land, which is the case where the corporation is

not subject to tax under section 31; whereas, in the case where the corporation has elected to be taxed under section 31 the section applies as though the portion of its taxable income arising from the sale or rental of land in Canada were its total taxable income.

In the one case, the rental is included and the other case the rental is not included as part of its total taxable income. I have the same comment about the resolution which has already been passed immediately preceding this bill, where there is no reference to the rental income as being part of the taxable income. I again, if the Minister does not have that information, I would simply ask at some point perhaps he would drop me a note explaining it to me.

Hon. Mr. MacNaughton: Yes, I think I might say, Mr. Chairman, that the fact the word rental has been admitted to subsection 34(a) does not mean that such rentals could not be taxed, if you managed to identify them. Rentals would generally be handled by a trust or other agency and they could be taxed under the general principle of power contract by the principle on behalf of the agent. I think provision is made for the matter that has been referred to by the hon. member for Riverdale. At least, it is my understanding that this is provided for.

Mr. J. Renwick: My other point, Mr. Chairman. I know that the resolution has been passed. Perhaps the Minister should look at the resolution because the resolution itself, where it makes the division between the two classifications of such corporations nevertheless does not refer to the rental portion of their income being included as part of taxable income. It may possibly be a flaw in that resolution.

Mr. Chairman: Sections 3 to 36, inclusive, agreed to.

On section 37:

Mr. J. Renwick: On section 37. A matter which has always failed to appeal to me is that under section 37, we are now increasing the rate of interest to be charged on unpaid taxes from 6 per cent to 9 per cent; and correlatively under section 40, we are going to pay on overpaid taxes, interest at the rate of now 4 per cent instead of 3 per cent, unless, of course, you have been successful on a reassessment by the Minister in which case you go to 6 to 7 per cent which the Treasury will pay. I would simply say to the Minister that if there are unpaid taxes and the rate is to be 6 to 9 per cent, then if there are overpaid taxes, the rate should be the identical rate, regardless of the circumstances in which the overpayment may take place.

I would point out to the Minister that where for most individuals the tax is now deducted at the source, the question of whether there is or is not an overpayment is not really in the hands of the individual making the calculation on his income tax. Therefore, in my view, he should be entitled to the same rate of interest as the government charges those persons who are lax in payment of their tax. Certainly the discrepancy between 9 per cent for unpaid taxes and 4 per cent for overpaid taxes does not appeal to me.

Hon. Mr. MacNaughton: Mr. Chairman, with respect to the matter of increasing the penalty rates on unpaid taxes, at present it is 6 per cent for the first two months and then it becomes 9 per cent. We are simply moving here to make it a uniform rate from the onset of the unpayment.

Now in the other instance, the rate is lower. There are, I suppose, situations where it could be advantageous not to pay your tax unless the rate imposes a sufficient penalty, Mr. Chairman. At current rates it is quite some advantage to delinquent taxpayers not to pay their taxes. It is one of the reasons why we decided to increase the penalty rate across the board.

In the other instance the rate, of course, was being increased from 3 to 4 per cent on overpaid taxes. It is only in those circumstances, I suggest, who incidentally where —more has been taken, incidentally, Mr. Chairman, by the Provincial Treasurer than was originally required and in those instances we recognize that there has been an overpayment and a recognition of it is given. I am not going to attempt to justify the disparity of the rate with what we are proposing here and what the hon. member provides, but—

Mr. J. Renwick: Mr. Chairman, I only reiterate the point that where you are increasing the taxes from 6 to 9 per cent for the first two-month period, that in fact is generally the period within which the persons involuntarily have failed to pay taxes. They might every well pay up. Why penalize a person during that two month period by increasing the rate from 6 per cent to 9 per

cent? Surely it is quite reasonable to give a person two months to make the necessary—

Hon. Mr. MacNaughton: Mr. Chairman, it is corporations we are dealing with, not persons.

Mr. J. Renwick: I understand.

Mr. Chairman: Sections 37 to 48, inclusive, agreed to.

On section 49:

Mr. Sopha: I wonder, does the repetition—is it not possible in the drafting of a statute in this province to have one section that would say "wherever in this Act the word Treasurer appears it shall be deleted and the word Minister substituted therefor". Is that not possible? Is there something wrong with legislative drafting that you could not do that? We could save the taxpayers of this province the many hundreds of pages that must have been published, by making that simple substitution of those words. I take it the Provincial Treasurer is now the Minister of Revenue. Is that so?

Hon. Mr. MacNaughton: The bill has not been proclaimed.

Mr. Sopha: It has not been proclaimed, I see. Well this is a very minor point but I am just wondering in the vein of economy if we could not have one section that said that. Wherever the word "Treasurer" appears in this Act, it shall be deleted and the word "Minister" substituted therefor. Are you able to tell me that would not be possible?

Hon. Mr. MacNaughton: Mr. Chairman, the member's comment is quite in order. It was felt for the sake of precision, I presume, and greater clarity, that it be done this way. I do not think it is that burdensome. It may take an extra two or three minutes of the time of the House. On the advice of our legal people and legal counsel it was decided that this was the most efficient way to do it. Mr. Chairman, I accept the hon. member's comments but this is the way that it was decided to do it.

Mr. Sopha: I wanted to make one additional comment. I want to make it absolutely clear that I will be a minority of one around here in believing, perhaps phantasmagorically, that the legislation belongs to the House, all of us, all my colleagues, the NDP and the Ministry—it belongs to all of us. No vested interest in it by legislative counsel, or the draftsmen; they have none at all—we take their advice, but they have no vested interest in the legislation. If there is any vested interest it is ours. Now, perhaps at some time some bill will come in where the cost of several thousands of pages of paper will be saved to the people of Ontario.

Mr. Chairman: Sections 48 to 57, inclusive, agreed to.

Bill 143 reported.

RAISING OF MONEY ON THE CREDIT OF THE CONSOLIDATED REVENUE FUND

House in committee on Bill 149, An Act to authorize the raising of money on the credit of the consolidated revenue fund.

On section 1:

Mr. Nixon: Mr. Chairman, this might be a suitable time for the Provincial Treasurer to report on his recent journey to Europe. It was stated in the press that he was going to examine the possibility of entering the money markets other than our own national markets, the Canadian market and the American market. I have spoken to him privately and I thought his comments were quite interesting. I do not know whether it would be appropriate but certainly I think all members of the House would be interested if, in fact, the government is considering the possibility of using the power in this bill to borrow money from other jurisdictions, particularly European jurisdictions, to meet our requirements in the coming year.

Hon. Mr. MacNaughton: Well, Mr. Chairman, if you find it in order, I would be quite happy to respond to the suggestion of the hon. leader of the Opposition.

I would first say that the trip I undertook, which concluded yesterday with my return from the continent, was undertaken primarily for the purpose of fact-finding; finding out what we could about the availability of capital in the European market, the conditions and terms under which capital could be obtained. For this purpose we conducted a series of visits and discussions with representative people in Switzerland and in Germany.

Recently, as hon. members who have been reading the press as it relates to the capital market will have recognized, over the last six or twelve months' period or even longer, capital markets domestically—and even as far

as continental North America is concerned—have been difficult ones. The matter of availability has been difficult not only in Canada but in New York, and the cost of borrowed capital either for public or corporate purposes has been a matter of some concern, I think, to everyone who has to provide capital for the development of the jurisdiction, whatever size it may be.

So it was with this particular background that we undertook this tour. It was a gratifying tour, I can report to you, Mr. Chairman, and to the committee, in that I am pleased to say with much emphasis that we found Ontario reasonably well known in areas of Europe where you would not expect it to be. On the other hand, when you are dealing with or discussing matters with what can only be regarded as some of the most capable financiers and bankers in Europe I guess you should really, Mr. Chairman, recognize that they are going to know something about all the potential borrowers that may exist anywhere.

Mr. Nixon: Did they sing our song?

Hon. Mr. MacNaughton: They are aware of "A Place to Stand" over there, very much so, very much aware of "A Place to Stand". And I am happy to report to the House that unless I was very much misled—and I do not think I was—Ontario's credit is good abroad. No engagements were made, no commitments were made. I propose shortly to examine the detail of the information we obtained and upon the consideration of the accumulation of material, presumably make certain recommendations and offer some advice that will lend itself to one type of policy or another. I think I am safe in saying, Mr. Chairman, that Ontario to my knowledge has not borrowed, has not sought capital outside continental North America before, so that before any engagements or commitments in that capital market are undertaken, it seems to me that the matter of the related policy should be examined. Nevertheless, the prospects are there. Two of our sister provinces and, indeed, the federal government, have already sought capital successfully in those markets.

Mr. Nixon: Did the Treasurer say two?

Hon. Mr. MacNaughton: Two sister provinces that we know of, probably three—I think the province of Quebec, the province of Newfoundland, and negotiations were reaching the final stages with the province of Manitoba while we were there. I believe they are being concluded back in Canada today—in the province of Manitoba. And then, of course, we know that the federal government has undertaken a short-term loan in deutschmarks and, I believe, one in lire. We did not examine the Italian market because it is a government relationship but we did discover that this market exists. Mr. Chairman, we rather think that our jurisdiction at least should be knowledgeable about our potential in markets outside of continental North America and we came back armed with some pretty specific and rather satisfactory information.

Of further interest to the House, the best market in Europe at the moment, or the most active market, would be Germany. Germany, by virtue of government policy, interpreted by the central bank, or Bundesbank, as it is called, has elected to make capital available to borrowers outside of West Germany in an effort to provide a better balance to their international balance-of-payment situation. This is precisely why it is being done and being encouraged by the central government. And there have been some quite substantial loans arranged over there. Notwithstanding that we think there are still funds available. But I say to the House that there has been no decision made as yet as to whether this source of capital will be made use of; that decision has not been reached. I have not been back long enough to make it possible for those who make the decisions to have given sufficient consideration to it. But all in all, it was a worthwhile tour.

As far as the consolidated revenue fund is concerned, certainly if the method of borrowing and the same credit factor is employed in those markets as is the case in Canada and the United States, then of course, the money would be raised on the credit of the consolidated revenue fund in the same manner, although I am prepared to say to the House that from a technical point of view it is easier to borrow money in Europe than it is in the United States or probably in Canada. The technical difficulties are not there to the same extent—it is much easier. At the same time, the long-term credit is not there to the extent that it is here. It is available but for a shorter term unless certain special arrangements can be made and certain cost factors can be met. But the technical details of borrowing, particularly Germany, are very simple. They are very easy by comparison.

I do not know, Mr. Chairman, whether there is much more I can say other than to report to the House that it was from my point of view, and of those who accompanied me, a very valuable trip. It was worthwhile to gain this knowledge and experience, I think.

Mr. Nixon: Mr. Chairman, I am glad to hear the comments of the Provincial Treasurer—

Mr. Chairman: Order, please. I would point out respectfully to the leader of the Opposition that the Provincial Treasurer was asked to report on his trip which he did, and which in the opinion of the chair was somewhat irrelevant to the bill specifically and perhaps if there is going to be any discussion or debate it could more properly be discussed in the Treasury estimates.

Mr. Nixon: Well, I know you would not want to anticipate anything that I might be prepared to do, but I would like to ask the Provincial Treasurer to what extent he is going to approach the $400 million limit? The limit varies from year to year. He is budgeting for an overall deficit of $250 million and it is obvious he will have to have access to more than that in order to keep the business of government moving from day to day. But to what extent does he believe he will have to use the credit, the power to borrow that is extended here? I wonder if he could make some sort of an estimate as to what the costs of these borrowings are going to be? Is there any way to estimate this previous to actually entering into agreements?

Hon. Mr. MacNaughton: Well, Mr. Chairman, I wish I possessed a crystal ball. I can assure you if I had one we could use it to the very great advantage of the province.

I would assume that the amounts shown in here—and it is less than it was a year ago by $100 million—represents what we may anticipate borrowing. You must bear in mind that the—

Mr. Nixon: You did not go over $400 million last year.

Hon. Mr. MacNaughton: No, but our bill last year made provision for $500 million. Our experience was less, last year, so we have asked for less authority this year.

Mr. Nixon: Very responsible.

Hon. Mr. MacNaughton: And we think we can live within it, but it must incorporate the extent of our borrowings not only in the usual type of capital market, but also our borrowings from the Canada pension fund, and all these—the whole picture is wrapped up in here. I cannot with any degree of assurance tell you whether we will be on the button or whether we will be a little less. Obviously we cannot be over it without coming back to this Legislature with another bill.

Mr. MacDonald: Maybe that is why we have a fall session.

Hon. Mr. Robarts: Let us deal with these sessions one at a time.

Hon. Mr. MacNaughton: I think that is fair, but obviously we have restricted ourselves to this amount of capital borrowing and just how close we can come to it or not, I cannot say. At this particular point in time, Mr. Chairman, I would be rather reluctant to indicate—and I think you will see the practical wisdom of not indicating—the precise extent to which we were going to engage ourselves in the capital market under any circumstances. I doubt very much if it would be consistent with good business, if we make our capital requirements known prior to actual borrowing.

But I leave it to the hon. members, sir, as to how wise it would be if we tipped our hand to the extent that we were going to enter the market. It would not be good business. We have never done it.

But we believe that this amount represents, as accurately as we can contemplate it, the amount that will provide for our capital requirements. Now as far as rates are concerned, this is why I would like to have a crystal ball. I can assure you it is very difficult to anticipate; the market has eased a little bit in New York, I believe, since President Johnson decided to impose a surtax to cut expenditures.

Mr. Nixon: And the Bank of Canada.

Hon. Mr. MacNaughton: And the Bank of Canada rate has reflected the easing of the money market and within the last day or two. This is quite true. So I would like very much to hope, of course, that trend would continue because the cost of borrowed capital has been very, very substantial. Fortunately, I say to the House—and maybe we are abusing the privilege of House in committee here a little bit, Mr. Chairman, but nevertheless, it is maybe quite appropriate to say this—I can tell you that we have stayed out of the capital market to the greatest extent possible because of the related cost factors.

We were not obliged to enter the market last year as much as we had anticipated; by the judicious use of liquid reserves and we hope to continue that into this year, as I mentioned in my Budget. And the more judicious use we can make of our liquid reserves and the greater extent to which we can stay out of a costly capital market, I would hope the House would concur, is good business and good management. So I assure you, Mr.

Chairman, I assure the committee that this is what we propose to do. And this is why this particular bill in the form shown represents the best of my knowledge, the best that I can tell the committee; it represents the amount that we think we can live with in terms of capital requirements.

Mr. Nixon: Just one more question as far as I am concerned, Mr. Chairman. How much of the Canada pension premium contributions that come back to the province would be reflected in this $400 million? How much of that we will take up?

Hon. Mr. MacNaughton: Well, it would represent—

Mr. Nixon: Eighty per cent?

Hon. Mr. MacNaughton: Three quarters for sure. It is difficult to tell really; we draw against the Canada pension fund from time to time as it accumulates in Ottawa. Then, of course, as you know, we give a security to Ottawa for it, and we take one back from a school board or municipality in the other hand. The rates are essentially the same. The rate that we pay Ottawa is the same rate that we lend again, plus a fraction of a percentage for administrative purposes and cost of handling. Again, to tell you with any degree of accuracy, is very difficult. Your figure might be fairly close. But having told you that then, you know quite a bit, do you not?

Mr. Chairman: Section 1. The member for Riverdale.

Mr. J. Renwick: Mr. Chairman, I have two or three somewhat technical questions to ask the Minister on clause 1.

I notice in the bill that there is no section repealing any other bill which authorized borrowing and fixed the limit. I just assume that when this bill is passed, it thus supersedes any previous borrowing authority; but I am, as a technical matter, curious as to why in some way it does not so state.

Now, perhaps, if I put the other questions, too, the Minister could answer them rather than deal—

Hon. Mr. MacNaughton: There is a new Act every year, of course, and this Act sets aside the previous Act. There is no question about that, and there will be none; it is an annual situation if required.

Mr. J. Renwick: Mr. Chairman, I am just raising the point, I do not pretend to know what is the reason of it. It seemed to me that if any banking institution was looking into it in a very technical sense—as they do in the United States—somebody might very well say, "Well, is this the only authority, what about previous authority?" Maybe there is no problem. I only asked the question. I do not pretend to know the answer to it.

The second point, though, I think is of some greater substance; it refers to the principal amount of securities issued and sold shall not exceed, in the aggregate, $400 million. I had thought that the criteria anyone would look to is the question of what securities under the authority of such a statute as this, are in fact outstanding at a given time, or am I wrong? Is this an authority up to $400 million? Or is there an authority to issue not only up to $400 million, but if a certain debt has been retired in the interval to take up the slack by a further issue. In which case the vital criteria would seem to me to be the amount of indebtedness which is at any time outstanding.

Just to pinpoint the matter, and I am not going to move it as an amendment, but it did seem to me that if after the word "Act" in the 16th line, the phraseology "and at any time outstanding" were inserted, the bill would be considerably clearer as to the limitation which was imposed.

The other comment relates again to borrowing abroad and that is—how is the equivalence established between borrowings which are made in foreign exchanges? How is that related to the Canadian dollar figure of $400 million, when we are in a relatively unstable international situation so far as devaluations of currencies may take place? There must be some standard by which equivalences are established if you borrow in deutschmarks or lire, or in United States dollars. Again I was curious as to what the standard of equivalence is? And my last point is who, in fact, in the government maintains the control over and is responsible for the adhering to the limitation imposed by this bill?

Hon. Mr. MacNaughton: The limitations imposed by this bill, I suppose, in the first instance would be vested in the Treasurer more particularly than in the department, through the Deputy Provincial Treasurer and the Comptroller of Finance. Comptroller of Finance is the officer of the department who largely deals with the matter to which the hon. member has made reference.

Now, with respect to the matter of borrowing outside Canada; in New York, of course, the loans are made in terms of United States funds and payment is received

in terms of United States funds. They are then converted into Canadian dollars and the prevailing rate of exchange applies.

There is no way, no way that I am aware of, where you could write into a prospectus or in terms of the registration process in Washington, any device that would protect you. The payment is in American dollars and of course, subject to the prevailing rate at the time of the payment.

On the other hand, in the initial circumstances, if American funds are received and converted into Canadian and a constant situation remans, there is no appreciable cost because what you gain in the first instance, upon repayment, you lose. But the provisions, sir, of the securities exchange commission of the United States are very, very rigid. They are rigid to the extent that i's must be dotted and t's must be crossed and names must be inserted of various officers who are authorized to sign and execute documents. It is, as I was commenting earlier, much easier from the technical point of view to accomplish a loan in the European market than it is in the United States market.

By saying that, Mr. Chairman, I hope I am reassuring the committee that the provisions of the statute that the Treasurer produces are submitted to the House in the light of the very rigorous requirements in the markets in which we have to borrow, particularly the United States market.

It is in recognition of these particularly rigorous requirements that our statutes are so drawn and if they were not drawn in an appropriate fashion, I say to you, Mr. Chairman, and to the committee, we simply would not be able to negotiate a loan, because the securities exchange commission would send us back.

It is on a basis of some experience, then, that I would almost have to propose to you and to the committee that they accept the legislation as being written in the terms that are required for these purposes.

Mr. Bullbrook: Well if I may, Mr. Chairman, I was not overly taken by the comments of the hon. member for Riverdale and I do not think he was overly concerned himself, but when you do read subsection 2 of this legislation, in conjunction with his remarks, your appropriate or sister statute of 1967 is still law. Then of course, your limitation is not $400 million any more.

Hon. Mr. MacNaughton: That is correct. But one more piece of assurance: It is an exceptional circumstance because we would not be approaching, shall we say, New York, for loans in those proportions, but any loan or a combination of loans in the United States market that exceeded the figure authorized in here, simply would not be possible.

Mr. M. Shulman (High Park): Mr. Chairman, I would like to sound a warning, if I might, to the Provincial Treasurer and to the government. I fear you may be making an error financially in doing your borrowings in the United States and in European markets and through—

Hon. Mr. MacNaughton: We have not made—

Mr. Shulman: You are considering it, I understand.

Hon. Mr. MacNaughton: Only the possibility. No engagements have been made.

Mr. Shulman: Let me, before you make it firm, point out some of the pitfalls which perhaps have not been pointed out to you. One of the pitfalls, particulary—

Mr. Chairman: Is the member referring to borrowing in the European markets?

Mr. Shulman: Yes sir.

Mr. Chairman: Well with respect, the member will recall what I suggested to the leader of the Opposition. The Provincial Treasurer made a statement about his exploration of the possibilities of obtaining funds and I did suggest that it would be more properly debatable under the estimates of The Treasury Department and specifically this bill is simply the authorization for the borrowing of funds up to a certain amount. It indicates in no manner, how or where they will be borrowed and I do feel that such debate could properly be pursued in the Treasury estimates. It is not in this bill.

Mr. Shulman: Inasmuch as a portion of $400 million is going to be quite definitely borrowed in the United States; would this be relevant to the debate?

Mr. Chairman: I do not really believe there is any reference in the bill where the money is going to be borrowed. It is a normal annual bill.

Mr. Shulman: But is it a normal matter to borrow a portion of this outside of Canada? What I wish to discuss is not specifically borrowing in Europe but the fact that a

portion of this money is not borrowed in Canadian dollars. This is the point I am getting at and which has been discussed already by at least two other members and I would like to pursue that particular point.

Mr. Chairman: I think perhaps, as a matter of information, the member might put questions to the Minister.

Mr. Shulman: All right, sir, to continue. Borrowing made in the United States some ten years ago was made at par. We now have our dollar devalued by 8 per cent, so that you have been penalized that much. We will be penalized that much, Mr. Chairman, when repayment is made and I would like to suggest to the Provincial Treasurer that a far more serious situation could develop if borrowing is made in other countries. We found in the particular country that he mentioned, just some seven years ago that a very large number of other countries had borrowed money in West Germany and they then played a very dirty trick. They did not devalue, they revalued the deutschmark upwards.

An hon. member: That is right.

Mr. Shulman: And everyone who had been foolish enough to borrow there suddenly felt very, very unhappy about the situation.

I would like to suggest to the Provincial Treasurer that the largest possible amount of money should be borrowed here in Canada, in Canadian funds, because if you do not borrow it in Canadian funds you may save 1 per cent or perhaps even more in interest rates but you may find that when the time for repayment comes that you may lose your 1 per cent back plus a great deal more.

Hon. Mr. MacNaughton: Well, Mr. Chairman, the observation of the hon. member is quite correct. This was recognized in Germany. It was discussed in Germany, and the possibility of revaluation must always be considered. I would have to say, upon investigating this matter and discussing it at length, not only in Germany but in other markets in other areas, that it is regarded as a very unlikely possibility. I would assure the House that really we are digressing, but we are on the subject here now anyway—

It was a very unhappy experience for everyone the last time, including Germany, because revaluation, of course, does not put them in a preferred position as far as trading is concerned. It benefits everyone but Germany. But the possibility must be recognized. It is recognized, and I assure the House, no engagements or commitments were made nor will they be made until all these matters are properly pursued. I simply wanted to assure the House of those situations.

Mr. D. M. Deacon (York Centre): Mr. Chairman, in view of the fact that we have a limitation here of $400 million, and if we were borrowing these moneys outside, and, therefore, incurring this heavy exchange loss, as has been mentioned by the member for High Park; might it be wise for the Minister, and for provision to be made by the Treasury board, for reserves against such exchange devaluations as is commonly done in corporate borrowing where they do set up reserves. They all hedge against this. We could find ourselves not only owing $400 million, but perhaps $450 million, or more, and therefore, we would have exceeded the limitation as set out in this bill.

Mr. J. Renwick: Mr. Chairman, the comments which I made, and which the member for Sarnia has made, are not by way of indicating that the bill in its traditional form has not been adequate in the past. I would think that between now and the time this bill is introduced next year, the Minister should refer it specifically, in terms of its draftsmanship, to legislative counsel. It is quite true that when you read the bill the aggregate of $400 million is in addition to all sums authorized to be raised by way of loan under any other Act which would take in all preceding Acts.

I realize you get to the point of ridiculousness. Traditionally, it has worked, but it certainly is inaccurate.

I would also again reaffirm the point I made: that what we must, in fact, be talking about, is not issued and sold in any particular period of time, but what, in fact, is the maximum amount outstanding at any one time. That is the limitation which must govern the operations of the Treasury and the bill does not so state.

Sections 1 to 4, inclusive, agreed to.

Bill 149 reported.

THE MUNICIPAL UNCONDITIONAL GRANTS ACT

House in committee on Bill 154, An Act to amend The Municipal Unconditional Grants Act.

On section 1:

Mr. Deacon: Mr. Chairman, section 1 has carefully deleted boroughs within Metropolitan Toronto and I gather that this has raised the problem in other areas of grant, where they feel that grants like these should be going to them for services that they specifically have to look after, such as recreational activities and others. They feel that they are being by-passed in the way that this is now being worded. Would the Minister set out the reasoning for excluding the boroughs within the municipality of Metropolitan Toronto?

Hon. W. D. McKeough (Minister of Municipal Affairs): I do not think, Mr. Chairman, that is the purpose of the section particularly. The purpose of the protection is to include a regional municipality in this particular case —which happened to be Ottawa-Carleton.

Mr. Deacon: Mr. Chairman, this is also excluding the municipalities in that region from getting the grant. Why is the grant going to the metropolitan or the regional governments instead of the boroughs?

Hon. Mr. McKeough: Well there have been many arguments made on this. This is what was done in the case of Metropolitan Toronto for one good reason—because, in total, it provides more money.

Mr. Deacon: Mr. Chairman, why will they not be getting their money through normal tax levies that they assess the member municipalities, instead of going to the regional government grants which hopefully go down to the benefit of the municipalities themselves?

Mr. Chairman: Does the Minister have any further comment on this?

Hon. Mr. McKeough: If you will look at the schedule, you will see that when the municipalities are lumped together, they are going to get a higher rate of grant. This is the purpose of the Act. So, obviously, I would assume that the boroughs are happier in the city taking a grant of $7 per capita on a metropolitan basis, than taking, for example, in one case $5.75, and I suppose in two cases, $6, and in the remainder, $6.50. So in aggregate they are receiving much more money.

Mr. F. Young (Yorkview): Is this the carrot to entice the small municipalities to unite?

Hon. Mr. McKeough: To small municipalities to get together.

Sections 1 to 3, inclusive, agreed to.

On section 4:

Mr. R. F. Ruston (Essex-Kent): Mr. Chairman, on section 4 here, I have noticed the discrepancies in the grants to municipalities, towns and villages, cities and so forth for some time and I really think that in some way it is discriminatory, that we pay larger grants because of population. I do not know that this is too fair, when you think that sometimes the population of municipalities could be smaller or larger and that the tax rates are much higher locally. I think that it was very discriminatory—to take, for instance, a township or town or village having a population of 7,000 to 10,000; they get $5; while a city of 200,000 and over gets $6.

I fail to understand why this should be so. I think that this should be more uniform, and I think I heard someone on this side over here a minute ago say that it is encouraging them to get larger. But I think there should be other methods of getting our municipalities larger rather than just to bribe them with a dollar or two here. I really think that the govenment in the past has had a habit of trying to bribe the people, as well as the electors, with a dollar or two here or there and has been successful, but I do not think that it is the best way to go about it. This is very discriminatory to the towns and villages and townships and smaller cities, the way that the grant is made, and I think that it should be equal regardless of the population.

Mr. J. P. Spence (Kent): Mr. Chairman, I would like to add a few remarks along the same lines as the hon. member for Essex-Kent. I thought that maybe the new Minister in this department would adjust these unconditional grants a little more fairly. Of course, the municipality which has 750,000 gets $7 and the smaller one, around 2,000, gets $4.50. I might say that we have heard so much about the province of opportunity, and I thought that this new Minister would adjust this more evenly across the province at the $7 level.

I hope that the Minister will give this thought before he makes the final decision and make these unconditional grants, no matter where you live in the province of Ontario, so that they all receive the same amount. The small municipality has not got very much in the way of sewers and water. This morning I went over to the Ontario water resources commission, the municipali-

ties' reeves and officials were told that the sewerage system would cost them $300 per house in this village per year. I am telling you that this unconditional grant should be changed and the smaller municipalities should receive the same as the large municipalities.

Mr. Chairman: The member for Yorkview.

Mr. Young: Mr. Chairman—

Hon. Mr. McKeough: I wonder if my friend would allow me to interrupt? I think that we could go on with this for a couple of hours and if we got out *Hansard* we would find that we went through it last year and the year before. The whole purpose of the bill, very simply, was to honour the commitment made by the government in the assumption of the costs of administration of justice. There are no principal changes. It brings the north in line with the south and it did precisely what the Treasurer undertook to do. I think that we could spend several hours and have a really hot rural-urban fight here this afternoon, and we would not accomplish anything.

Mr. Nixon: A new Minister should have new ideas.

Hon. Mr. McKeough: My friend from Essex-Kent said when he was speaking that perhaps the slogan should be "amalgamate and escalate," but let us not get into all that this afternoon. Mr. Smith made certain recommendations with regard to these grants and the matter is under study by the government, the select committee is examining them, and we are taking a look at them, sir, and I imagine that there will be some changes. Whether they will be along the lines suggested by my two friends from Kent this afternoon, or along the contrary line about to be suggested, undoubtedly, by my friend from Yorkview, and adhered to by others in the House, let us leave that for some cool winter's day next year and get on with something else today.

Section 4 agreed to.

Sections 5 and 6 agreed to.

Bill 154 reported.

THE MUNICIPALITY OF METROPOLITAN TORONTO ACT

House in committee on Bill 145, An Act to amend the municipality of Metropolitan Toronto Act.

On section 1:

Mr. Deacon: Mr. Chairman, I would just like so say that I am glad to see the Minister is giving the council power to decide what remuneration they are going to pay the chairman and the members of the council. It is quite valid to give such power to an important-sized corporation of this sort.

Mr. Chairman: The member for High Park.

Mr. Shulman: Mr. Chairman, I do not believe that people should set their own salaries. I would like to suggest that there should be an amendment in this Act stating that any changes in salaries should be effective only after the election following the changes made. And I would present this for the Minister's consideration.

Hon. Mr. McKeough: I am wondering if that should apply to The Legislative Assembly Act as well.

Mr. Nixon: It probably should.

Mr. Chairman: Sections 1 to 3, inclusive, agreed to.

On section 4:

Mr. Deacon: Mr. Chairman, on section 4, would the Minister explain the reason for the rewording of section 4? They have put these words in: "from any source whatsoever towards an expenditure". What were they correcting, what sort of a situation?

Hon. Mr. McKeough: Let me read the explanatory note. I think we have described this as housekeeping. It brings the two sections, section 79 of The Metro Act and 86 of The Highway Improvement Act into the same language, which concern the same thing, mainly a deduction of all contributions to cost of road improvements. The wording of section 79 is somewhat more restrictive than section 86, and Metro therefore suggested that the language should be broadened.

Mr. Chairman: Section 4 agreed to.

On section 5:

Mr. Deacon: Mr. Chairman, section 5—again, is this the same type of thing to bring it into line? It does not seem to be by the notes. Is it a very slight change in the wording? It says "adjoining property that is lawfully used and is owned for commercial and industrial purposes." Now, I am just trying to remember my notes on this. Does this mean that it actually has to

be in the master plan now or it just means that they can pass a resolution without a bylaw to allow someone to use these untravelled portions?

Hon. Mr. McKeough: There was no authority to lease the space if the building was a legal non-conforming use. The building is there, and obviously there is a boulevard there which perhaps could be leased, but it was not possible formerly, because it was not a conforming use. As long as the building is there, then there is no great harm in leasing the space. So that is the reason for the word "lawfully".

Mr. Chairman: Section 5 agreed to.

On section 6:

Mr. Deacon: Mr. Chairman, who set the limit at $130,000? Why is it set there for the Toronto transit commission, raising it from $80,000? Why is the limitation set there? We seem to have given, in the first section of the bill, powers to set their own salaries; surely they can set how much they are going to be granting annually to the transit commission towards the cost of free transportation.

Hon. Mr. McKeough: This is the amount that Metro thought was appropriate, and I think it worked out with the transportation commission, but frankly, I would agree with my friend, that point was not raised. I can see no harm really in what he suggests. I do not think it is that important, but perhaps we could make a note of that. The next time the bill is amended, I suppose it could read, "may make an annual grant to the Toronto transit commission towards the cost", and so on, and leave the amount out. I cannot see any harm in that, but I have not discussed this with the Metropolitan chairman or the solicitor. We would be glad to, before the legislation comes in again. I cannot see any reason why it should not be removed.

Mr. Chairman: Section 6 agreed to.

Does the Minister have an amendment to section 7?

Hon. Mr. McKeough: There is a conflict of wording in section 7. I move that section 7 of this bill be amended by adding at the end of subsection 2(a) the following words: "or of the member appointed in place of the chairman under subsection 5". That ties it in.

Mr. Chairman: Shall the motion carry?

Mr. Deacon: Mr. Chairman, I was wondering if this is correct? There seems to be a little bit of an advantage given East York and York in that they can have an alternate sitting, even though they cannot vote, in keeping track of the proceedings of the school board meetings. But in the case of the other boroughs, if one of their two representatives becomes ill, they do not have someone sitting in the background and being kept informed by his presence of what is going on at these meetings. This struck me as being a bit of an advantage to East York and York township unless we gave the others the right to have an extra member sitting in on the meetings although not participating.

Hon. Mr. McKeough: The problem is here, and I think you are aware of this, that if the chairman of an area board is a separate school supporter—I think this is right—he cannot be on the metropolitan board, and that is the reason the alternates come in to play.

Mr. Chairman: Shall the motion carry?

Section 7, as amended, agreed to.

On section 8:

Mr. Deacon: Mr. Chairman, on section 8, does anyone else get that mileage payment that they are providing for in the school board? There seems to be a difference, also, between the payments to the metropolitan separate school members and the ordinary school board members, and why would there be this difference?

Hon. Mr. McKeough: As you will appreciate, these sections come from education rather than from us. But the Minister without Portfolio from Scarborough North (Mr. Wells) tells me that there has always been this difference, on the basis that separate school members only attend half of the meetings in fact, and this is the reason for the difference.

Mr. Chairman: Sections 8 to 11, inclusive, agreed to.

On section 12:

Mr. Deacon: Mr. Chairman, in the matter of The Metropolitan Toronto Act—this is to do with the board, is it, Mr. Chairman?

Mr. Chairman: Yes, police commission.

Mr. Deacon: Should we consider having this board enlarged so that it can include, say, a member of the board of trade, a member

of the labour temple, and more representatives from the citizens at large?

Perhaps if we could broaden our representation on the police commission, instead of just having magistrates and the chief magistrate of the city, we would have a more representative group of citizens. We might overcome a lot of the ill-feeling which seems to build up occasionally between the police and the citizens through lack of understanding—

Mr. Chairman: May I respectfully point out to the member that section 12 of the bill provides for change in the composition from one magistrate—one person only—rather than two magistrates, and while the member may have a valid point, it is a part of the principle of the bill.

Mr. Deacon: Mr. Chairman, then I will suggest that in subsection (d) instead of the wording "one magistrate designated by the Lieutenant-Governor", we have "one person appointed by the metropolitan council"?

Hon. Mr. McKeough: Just answering your point briefly, I think you will realize that the Metropolitan Toronto board of police commissioners, in consisting of five, is greater in number than most others, I think. Hamilton has five police commissioners, and there may be one other municipality with five, but of course most municipalities in the province only have three on the police commission. Frankly, from my limited municipal experience in the department, I have never heard it suggested that it should be a larger group than three, or in this case five, and that has never been suggested to me. I think there is a reason for keeping it a small group and I had never heard the view that it should be enlarged with that kind of citizen participation.

Now, your specific suggestion, as you know, for composition presently, includes three people who are appointed by the Lieutenant-Governor in council, and two who, in effect, are representing the metropolitan council; and this amendment preserves that balance of three and two, although it changes the composition from two magistrates to one magistrate and one other such person.

Mr. Deacon: Mr. Chairman, is there any provision in the basic Act, which I have not examined, about there being in office for a specified term and there being a rotation of the members? One of the problems that people have raised is having the same people on the commission year after year and being really unable to look at things in maybe a new light. Maybe some rotation in personnel and provision for this in the Act here would help the situation that I have been raising about poor relations between the public and the police.

Hon. Mr. McKeough: These people are all appointed—well, of course the mayor is not appointed, he is *ex officio;* the others, or the chairman in the case of the metropolitan commission, are appointed during pleasure and perhaps it should be that there should be a greater turnover. I would be glad to take a look really at the—the composition of police commissions is in the Attorney General's legislation generally. We have been moving generally towards putting a fixed term into legislation, and then if it is the intent of extending that term they can be re-appointed. Perhaps that would not be a bad idea in the legislation for police commissions. In which case it should certainly follow as companion legislation in this Act.

Mr. Deacon: Mr. Chairman, I am suggesting—I am glad to hear the Minister say he will take it under consideration—but I am suggesting that between terms there be a one-year gap at least. This makes it much less difficult not to re-appoint someone than would otherwise be the case. You can come back to a good man the second time if you want to but it is not nearly as awkward.

Hon. Mr. McKeough: Mr. Chairman, I am not sure that that should be. I think of some police commissions which I am familiar with, and particularly now, where you have just one member of the judiciary and you have the mayor. There is a constant turnover there, or there can be. Perhaps there is not, and perhaps the third person can provide some continuity as well so that all the continuity is not in the hands of the judiciary which may, or may not be a good thing. I can see arguments both ways and I suppose there is for that reason good reason for leaving it as appointments during pleasure, but we will be inclined to have a look at this.

Mr. Deacon: Mr. Chairman, that matter of continuity can be taken care of by overlapping the terms, and then people are carrying on who have had experience.

Mr. Chairman: Sections 12 and 13 agreed to.

I believe the Minister has an amendment to section 14?

Hon. Mr. McKeough: Yes. I would move that section 14 of the bill be amended by

adding at the end of section 203 "as re-enacted therein" and section 355 of The Municipal Act.

Motion agreed to.

Sections 14 and 15 agreed to.

On section 16:

Mr. Deacon: Mr. Chairman, on section 16, some licensing, I think, should be down at the local level. This provides for licensing by the metropolitan commission but local businesses and vendors in each borough should be controlled by the boroughs themselves. Apparently at the present time a lot of delays are being experienced in red tape in getting some of the metropolitan licensing through, and I suggest that consideration be given to breaking the licensing down between areas that should be handled by a local bureau, and those which are and should be licensed on a metropolitan basis because of their mobility, such as taxis.

Sections 16 and 17 agreed to.

On section 18:

Mr. Deacon: Mr. Chairman, on section 18, is this to help encourage charitable and other institutions sponsoring elderly persons' homes and accommodation?

Hon. Mr. McKeough: No, but each year there have been a number of private bills dealing with this exact subject and it seemed appropriate that this is certainly within the competence of the metropolitan council if they wish to do it rather than having them come with private bills. This gives them the power to do it. Whether they will exercise it that much or not I do not know.

Section 18 agreed to.

On section 19:

Mr. Deacon: In connection with section 19, Mr. Chairman, which has to do with the O'Keefe centre management, I think in view of the Smith committee recommendations, regarding accountability for the enterprises, that it is very important that we have some sort of limitation—certainly very careful reporting—as to the operations, financially and otherwise, of this centre.

Under subsection 3:

> The metropolitan council may by bylaw establish general policies to be followed by the board of management in the operation and management of the centre.

Does that bylaw for general policies include artistic, or financial limitations of any sort on this? Are they going to be absolutely free to move whichever way they want?

Hon. Mr. McKeough: Well, subject, of course, always to the fact that any borrowing has to be approved by the metropolitan council. The metropolitan council, of course, is going to take any surplus, and is responsible for any deficit. Within those limitations I think they do, as I read the Act, have a considerable amount of freedom which, I would think, includes freedom in the artistic sense as well as in the financial sense.

Mr. Shulman: I am a little disturbed by this section of the Act. I think the council is involved in a rather poor business deal. The O'Keefe centre is a great huge barn of a place which is suitable for very, very few productions because the plays are so unsuitable that anyone in the balcony, or anyone behind the first 15 rows needs field glasses to see what is going on.

The O'Keefe Company—the brewery—made a mistake in building it, but they were smart enough to realize their mistake and they were clever enough to be bailed out by the city of Toronto, and I think that this Legislature is making an error. If there is need for another theatre, surely it is not a theatre of that size. If the city wishes to get in the theatre business they should build one according to specifications needed by the city and not take over a completely unsuitable building which must remain empty for a very large period of time unless they are going to put in plays, or other displays which literally cannot be seen. I think that the council has made a mistake; I think Mr. Allen has made a mistake and I think the Minister has made a mistake in this particular section.

Hon. Mr. McKeough: With great respect, I would not agree with the member for High Park. I personally would not agree. I am told by the chairman of the metropolitan council and I think that last year, other than taxes, and I assume, other than depreciation, the centre has been, and can continue in their opinion, to be operated at no cost—they simply will not pay the taxes. Now, I personally feel that is not a bad contribution for a municipality to make to the artistic life of a city, or of a community, or of a province, or of a country for that matter, if we forego, in this particular instance, collecting municipal taxes.

But aside from whether I personally agree or disagree, or whether the government agrees or disagrees as to whether this is a particularly a good deal artistically or not, I feel

that this is certainly within the competence of the metropolitan council to decide whether it is a good deal; whether this is something they want to do or not do. And they decided that they wanted to enter into this agreement; they want to operate this theatre. "More power to them", the Attorney General says, and I could not agree more.

Sections 19 to 21, inclusive, agreed to.

On section 22:

Mr. Deacon: Mr. Chairman, why is not a normal majority of council required for spending money on giving information out on the advantages of the municipalities? It seems rather strange that this should be selected and separated out and subject to a three-quarters majority for any such expenditure.

Hon. Mr. McKeough: Actually the section, Mr. Chairman, which this is replacing, named the amount of money plus an increase in the amount of money, and I said, again going back to this principle, "Why should there be an amount of money made? Why should we not take the limitation off, or at any rate bring it into agreement with The Municipal Act?" And this is, of course, what The Municipal Act says. Three-quarters poses a council. I think perhaps The Municipal Act is a little bit more restricted.

Mr. Chairman: In any event the amendment has to do with the amount of money.

Hon. Mr. McKeough: That is right. I think this is perhaps traditional with the diffusion of propaganda—advertising in the broader sense—and I think we recognize, Mr. Chairman, the legitimate purposes of municipalities today. I suppose at some place in the past they were considered different from other kinds of expenditures, when these limitations were put on. I am not sure they need to remain but the provision should be the same whether you are spending $1,000 on a new map or $1,000 on a new motorcycle for the police force. Presumably, in both cases a simple majority should be enough to carry it, in my view, and I would hope that when we have a good look at The Municipal Act, we would make those kind of changes in The Municipal Act and then amend this Act accordingly.

Mr. Deacon: Mr. Chairman, I am certainly glad to hear the Minister take that view because I think the Minister of Tourism and Information (Mr. Auld) would be very upset if he had to have three-quarters majority for any moneys to be expended here in this government.

Sections 22 to 24, inclusive, agreed to.

Bill 145, as amended, reported.

THE MUNICIPAL ACT

House in committee on Bill 155, An Act to amend The Municipal Act.

Sections 1 to 4, inclusive, agreed to.

On section 5:

Mr. Deacon: Mr. Chairman, on section 5, does this amendment mean that any time there is a vacancy there has to be a new election?

Hon. Mr. McKeough: No.

Sections 5 and 6 agreed to.

On section 7:

Mr. Shulman: Mr. Chairman, in connection with section 7, subsection 3, where a vacancy occurs in the office of alderman, I would like to suggest to the Minister that when such a vacancy occurs it should be stated by statute that the next person who receives the highest number of votes should be appointed to the vacancy provided he has a reasonably-sized vote. In my opinion this is the democratic way to do it, and this would prevent the political jockeying which we see at the present time in Toronto, where it depends not on getting a large number of votes to be appointed—which is the way we are all elected—but being appointed by having a large amount of influence, and I would like to make this suggestion to the Minister.

Mr. V. M. Singer (Downsview): Mr. Chairman, if I could comment on that? In many elections in Toronto and other cities, in two aldermen wards the first two could get substantial votes and the last one could perhaps get 50. I have seen this happen. Surely, the suggestion by the member for High Park makes no sense in this regard. Very often you get a crackpot on the ballot who runs a bad last and can get no more than a handful of votes. Suddenly, he is elevated into office by no one's wish other than by the accident of the length of somebody else's life. I think this makes no sense at all, Mr. Chairman, and I think the suggestion put forward by the member for High Park was just not thought through.

Sections 7 to 10, inclusive, agreed to.

On section 11:

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, on section 11 I would like to ask the Minister whether he considered the resolution that had been submitted to him requesting:

> Provision for reimbursing any person for expenses incurred by such person for the fees and expenses of counsel employed by such person, where in the discretion of the judge, the incurring of such expense was justified and the judge may order by whom and in what manner the same shall be paid.

This section, I would understand, Mr. Chairman, refers back directly to the investigation in the city of Windsor, and it would clear up the allocation of the expenses involved in conducting the hearing. An individual that may be grieved against could be put to a fairly large expense in employing legal talent, and where the investigation absolved the individual completely he would still be liable for all of the legal expense. In this section I do not think it allows the judge conducting the hearing to allocate costs, does it, Mr. Chairman?

Hon. Mr. McKeough: No, it does not, and I think you are referring to the resolution from the Windsor utilities commission. We have looked at it and propose to have a further look at it. There are several ways in which investigations can be carried on, if they are thought necessary. In Bill 241 it originates at the counsel level, and then there are sections which allow the Lieutenant-Governor in council to initiate an enquiry—appoint a judge and initiate an enquiry. In none of these sections—and I think there are three or four, and I believe there are some sections in The Education Act—has it ever been thought desirable that costs can be awarded by the judge? It may well be that they should be, but if we were going to amend Bill 241 this way we would want to take a look at the other sections in the same way, not only in our legislation but in legislation of other departments. We propose to do that and that may be a good thought.

Mr. B. Newman: But in the meantime, if an individual is involved in a sizeable amount of financial outlay, he would have no resource at all. He would be obliged to pay it himself and that really is not fair, is it?

Hon. Mr. McKeough: I suppose it would vary from situation to situation. It is perhaps one of the penalties we all pay when we run for public office, I do not know. It would vary, certainly, from situation to situation. I suppose it depends on who ends up being right and who ends up being wrong. But we are going to have a look at this and perhaps we can find—

Mr. B. Newman: I mean retroactively in your looking at it; would there be any, Mr. Chairman?

Hon. Mr. McKeough: What we have been talking about is going on. I think we could deal with it after the next fall session and probably still come in on time.

Mr. B. Newman: As long as you keep this in mind.

Section 11 agreed to.

On section 12:

Mr. Young: Mr. Chairman, I notice that the chairman of the emergency measures committee has the power in an emergency after the council gets bumped off. I am wondering what the thinking of the Minister is here, that this person should be designated this power? The emergency measures organization has not had much success in its operations so far, and I am wondering why the power is vested here rather than in some other person or official?

Hon. Mr. McKeough: Let me read the explanatory memorandum:

> When there is an emergency as defined in The Emergency Measures Act, 1962 and 1963, and the council is required to appoint a person or persons to fill the vacancy or vacancies in the office of mayor, reeve, deputy reeve, controller, alderman, or councillor, when a quorum of the council cannot be obtained among the surviving members of the council capable of performing his or her duties as such, or where there are no surviving members of the council capable of performing their duties as such, then the chairman comes in.

Sections 12 to 16, inclusive, agreed to.

On section 17:

Mr. Young: In section 17, Mr. Chairman, there is a problem that most of us in municipal life have faced from time to time, and that is the blockage of natural water flow. We have water courses and drains mentioned here, but often the problem is that people who are established in the municipality find

themselves becoming neighbours of a subdivider, and he builds the land above the level of their lot. The result is that the lot becomes a lake and there is no recourse except to sue the subdivider because of the blockage of water and the creation of a lake in the backyard. This happens time after time, and the little person, the ordinary citizen in the community, cannot go to court very well against a subdivider or builder. So he sits there and takes it, and finally goes to the expense of building his lot up to the height of the surrounding lots.

I am wondering whether or not, while making this provision, we could not insert two or three words here for prohibiting the obstruction of any drain or water course or natural water flow, and require the person obstructing the flow to remove the obstruction that is perhaps not in the words that the law officers would like, but it does convey the idea that if there is a natural water flow across the back lots, then if anybody obstructs that and therefore causes the water to back up and flood a person's backyard and basement—as often happens in a case like this—there should be some legislation to give recourse to the person so wronged. I am wondering if the Minister might consider this, and whether this might in some wordage or other, be incorporated into this legislation?

Hon. Mr. McKeough: I would want to give it a great deal of thought because if there is an example as you have given, where there is a flow of water across the back of a lot, where there is not presumably a municipal or private drain—

Mr. Young: No defined water course—

Hon. Mr. McKeough: You see, I think that the remedy is there should be a drain constructed under the Act, The Drainage Act. I suspect that people knowledgeable in drainage matters, would tell us that perhaps you might be discouraging the building of a proper drain, or deepening a ditch or whatever needs to be done. You were into what I think is a housekeeping amendment, which I think perhaps corrects an oversight when it was amended before in this amendment. I would be glad to give some thought to the matter you are raising, but when you get into this matter of drainage practice and law, it is a very confused field.

Mr. Young: I know that it is a very vexed question, Mr. Chairman, through you to the Minister, but it is a problem which is going to be very much with us, particularly as urbanization proceeds.

The smaller cities, as they develop, are going to find this more and more of a problem, because very often we have people who are established in an area, who may have a backyard that slopes into the house. Then the natural drainage comes off one way or another and the situation has been that way for a long time. But it is not on a water course; it is just something which happens in the spring, when the snow melts or when heavy rains come. Then somebody builds alongside him, the natural drainage is blocked and the water goes into the basement instead of along the natural flow.

I think that this should be looked at very carefully by the Minister and by the officers in charge of framing legislation, so that some solution to the difficulty can be found for people who are bound to suffer in greater numbers as urbanization proceeds in the province.

Mr. Deacon: Mr. Chairman, I will give the Minister an example. Up in Richvale there is an avenue where, in the backyards there has been load after load put in of fill. My most recent correspondence was from a lady where the last load of fill went in. The problem is such that the council of the municipality has not been able to cope with.

Section 17 agreed to.

On section 18:

Mr. Deacon: Mr. Chairman, on section 18, there are some good parts to it, but there is something really bothering me. It is a question that is not being taken hold of by the province. It is still left in the hands of the municipalities to fight out among themselves.

There have been very many sad experiences in other jurisdictions where a wealthy municipality adjoining a less wealthy one, bribes the less wealthy one by large payment. They dump garbage in the less prosperous municipality, causing pollution conditions which are very difficult to clear up later on.

In this case, of north Toronto, we saw last year a very costly case. Metropolitan Toronto used its very strong power against a weaker municipality which objected to what they felt was an infringement on their rights. They had to spend many thousands of taxpayers' dollars on legal fees to protect themselves. I feel that it is wrong for us to proceed with this section. It is a section that, I feel, we should put aside and deal with in another way.

It is very good to see the item concerning the ability, or providing the municipality with the ability, to take action on private lands where garbage disposal is occurring, which right they did not have heretofore. But I am very concerned about the fight that we are going to see, certainly in that region north of Toronto, if we do not deal with it in this Legislature in legislation and planning.

Under this legislation, a municipality can go into King township, or some other area, and dump garbage up north and get it away from their own boundaries. I think that it is very important that they not be allowed to do so, unless they have proven to the satisfaction of your department that there is no other site within their boundary that is available. This is a very contentious and troublesome section for us to proceed with and I would ask that the Minister consider amending it in the bill.

Mr. I. Deans (Wentworth): I agree, to some degree, with what the member for York Centre has said. The whole matter of land fill and garbage disposal is one that I have just recently come into a great deal of contact with. It seems, as I view it, that after the municipality receives permission to establish this area for garbage disposal, The Department of Municipal Affairs and the municipal board then sort of wash their hands of it. The people who reside in the proximity of the disposal area then suffer all the consequences.

The one area that concerns me at the moment is that of health. We just received in Hamilton a report on the pollution emitting from the Hamilton garbage disposal area, and I think that before granting permission to establish such an area, we have to take a very careful look at what we consider to be landfill. We cannot just take areas that are lower than others and fill them up to bring them level. Sanitary landfill is not that; sanitary landfill is taking an area, digging it out and filling it up in layers so that we do not have the sort of saturation of the area that we have in most of the garbage dump segments today.

Now, in Hamilton, we are faced with a great problem. On Hamilton Mountain we are faced with a health hazard, and before The Department of Municipal Affairs gives permission to any municipality to establish a dump, they should carefully review the conditions under which sanitary landfill will be permitted. I think one of the conditions must be that there shall be no emission of fluid from that dump into any waterways. This is not being carefully viewed at the moment.

There are many areas where the natural fluids from the dumps are flowing into the natural waterways and we must stop this immediately. It can only be done if we go to an entirely different method of garbage disposal. I do not believe the landfill method has proven too satisfactory, particularly in municipalities the size of Hamilton.

Hon. Mr. McKeough: Well, Mr. Chairman, in dealing with subsection 5 of this section, there are no easy answers to this whole problem. The hon. member for York Centre has suggested it should be deferred until some other more satisfactory method can be found, but I do not think there is one, frankly. I suppose some day in the future somebody will discover a way to dispose of garbage cheaply other than by landfill, but that way has not been found as yet.

Hon. A. Grossman (Minister of Correctional Services): Stop eating.

Hon. Mr. McKeough: Yes, the hon. Minister, who is always very practical, says we can stop eating and that would solve the problem.

But this was determined—after a great deal of study by officials of my department, officials of The Department of Health, the water resources commission—it was considered to be perhaps the only practical way of handling the problem. Very briefly it provides that a municipality can go into another municipality, presumably to look for a site for a sanitary landfill operation, and if the municipality agrees then of course there is no problem. If the municipality does not agree, then ultimately it can go to the Ontario municipal board, which will hold a public hearing and hear the arguments on both sides and allow or disallow it to take place.

Now, nothing in all of this interferes with the rights of the local medical officer of health, or The Department of Health, particularly under section 6, nor does it interfere with the powers of the Ontario water resources commission in this regard. If there are circumstances such as the hon. member has described, and I am sure there are—I went through one in my own riding a mile from my house where a good friend of mine, as a matter of fact, wanted to locate a sanitary landfill site and I thought it was a dandy site.

It turned out there was going to be a problem or there could be a problem. There was a remote chance, really, I think even the commission would put it in that way, that

the level of the bottom of this abandoned gravel pit was at the same level as many wells, a half a mile or a mile away. The member for Kent would remember the discussions that went on. Eventually the municipality said no, having had the advice of the commission, having had, I might add, the advice of the MOH, who was not as concerned. And eventually another site was found. It is a very messy, tricky problem and there is no easy solution to it.

Mr. Deans: I wonder if I might make just one observation? One of the big problems seems to be that the department of health—and I am not thinking about the provincial Department of Health, but the medical officer of health—seems to take the same attitude that perhaps the Minister of Correctional Services takes, and this is unfortunate. The thing is this, that we are allowing much too large an area to be used for sanitary landfill in many cases instead of restricting it to a much smaller area and getting it over with and getting it out of the way. It is a sort of perpetuation of filth and stink and stench and infestation, and this is what is wrong with it. Perhaps they should not consider allowing such large areas to be used for sanitary landfill. I think we could go to other means of disposal—they are available—but at least limit the size of the dump in every case; give it to a small area that can be filled in a year or two years rather than going on for 10 or 15 years.

Hon. Mr. McKeough: I just add, of course, that there are a number of examples—and I think particularly of Belleville, where that really magnificent Centennial park has been created over a number of years, and as I understand it is still being added to. I am not arguing with the member. I agree; I think sometimes the area designated may be too large and it is not cleaned up before going on to another area.

Mr. Deacon: Mr. Chairman, I am sorry the Minister feels there is no alternative to this Act, the way the wording of it is now in that section, because I am sure that the province should be taking a responsibility, and his department basically should be taking a responsibility, for solving any area of dispute between municipalities in this, instead of leaving them to fight it out among themselves, especially when you have a very large municipality, such as Metropolitan Toronto, up against a small one to the north. It seems very important that the onus should be clearly in the Act; the onus should be clearly on the body seeking to use an area in another municipality to prove that they definitely do not have any area in their own territory. It does not state that here, and it does not put that onus on them, it is only onus by implication. For example, there are studies and there has been considerable work done in disposing of sanitary landfill in freshwater bodies where the proper protection and barrier has been constructed to prevent pollution of the freshwater bodies and the seepage has been treated in sewage plants. Some discussion of this took place at the OWRC conference last winter at the Inn-on-the-Park and it is quite possible that Metro Toronto could make excellent and valuable land development available or park development along the waterfront if it pursued that line of attack on its garbage disposal problem instead of attacking small municipalities to the north.

I urge the Minister not just to leave this Act, this section as it now stands because it is just going to lead to a lot of battle on the part of these municipalities.

Sections 18 to 21, inclusive, agreed to.

On section 22:

Hon. Mr. McKeough: I would move that section 406 as re-enacted by section 22 of the bill be amended by striking out "remuneration" wherever it occurs in section 406 and inserting in lieu thereof in each instance, "allowance". These are to make the wording consistent in other sections of the Act.

Motion agreed to.

Section 22, as amended, agreed to.

Sections 23 to 31, inclusive, agreed to.

Bill 155 reported.

THE ASSESSMENT ACT

House in committee on Bill 156, An Act to amend The Assessment Act.

On section 1:

Mr. Young: Mr. Chairman, may I ask the Minister for the reason for the "whether paved or unpaved"? I understand there is some problem here, and could I ask the reason first before I make any remarks?

Hon. Mr. McKeough: For many years it was interpreted that pavement was not an improvement for business tax assessment. Then I guess some people suggested that it

was an improvement, and to clarify it, and without really debating the merits of it one way or another, the intent of the Act insofar as the department was concerned, "pavement" alone did not constitute an improvement. And this simply clarifies the intent of it, so all shall know.

I think it is probably fair to say that the recommendations arising out of the Smith report and a more thorough look at The Assessment Act may well change it or turn it upside down. I do not know, but rather than have a lot of confusion we felt it was advisable to clarify this.

Mr. Young: Then that brings us within the 10 per cent assessment, really. I was just wondering how that is going to affect the assessment in many municipalities where the assessment on the parking lot of Dominion stores or Loblaws may be regarded as something more than the 10 per cent assessment. This will automatically bring it back to the 10 per cent and this will be what will happen so that assessment may in effect be lowered in many cases.

Hon. Mr. McKeough: No, we do not. No.

Sections 1 to 7, inclusive, agreed to.

Bill 156 reported.

THE POWER COMMISSION ACT

House in committee on Bill 158, An Act to amend The Power Commission Act.

Sections 1 and 2 agreed to.

On section 3:

Mr. Nixon: On section 3, just one question. This section says that notwithstanding anything in this section, no contract between the trustees of a police village and the commission for the supply of power shall be entered after July 1, 1968. Does that mean following that date there will be no new contracts, or that no contracts with police villages will be entered into and therefore a police village supply will all come under rural hydro?

Hon. J. R. Simonett (Minister of Energy and Resources Management): No new contracts.

Mr. Nixon: The ones that are established will be continued?

Hon. Mr. Simonett: I understand so, yes.

Sections 3 to 6, inclusive, agreed to.

Bill 158 reported.

Hon. Mr. McKeough moves the committee of the whole House rise and report certain resolutions, certain bills without amendment and certain bills with certain amendments and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain resolutions, certain bills without amendment and certain bills with certain amendments and asks for leave to sit again.

Report agreed to.

Clerk of the House: The 17th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF THE ATTORNEY GENERAL

(Continued)

Mr. Chairman: Before we proceed with these estimates the Chairman would just like to take a few moments to draw certain matters to the attention of the committee.

I think yesterday, particularly last evening, there was a great deal of debate that was actually out of order, due in some cases of irrelevancy, in other cases due to repetition. I think there was an exceptionally great degree of failure to recognize the authority of the chair. Consequently the debate was carried on endlessly, and I think that the Chairman should draw to the committee's attention that it is the Chairman's intention to abide by the tradition of the rules and the traditions pertaining to committee procedures, in that discussion and debate is supposedly and has been much freer than while the House is in session.

There is a great deal more latitude permitted, and I think that the Chairman has always attempted to see that this is carried out. It is the Chairman's intention to continue to do that, that we do not have to abide completely and entirely and rigidly within the rules that govern the House while in session. However, I do ask the members if they will attempt in future, while we are dealing with the estimates, to try to stay within the rules of the House and avoid repetition and irrelevancy and to please pay a little more attention to the chair.

On vote 207:

Mr. V. M. Singer (Downsview): Mr. Chairman, on a point of order. On Thursday evening, June 27, as reported at page 4889 of *Hansard*, the Attorney General said this, "I took the occasion to say that so far as my knowledge runs there was no tapping of the phones of the two magistrates in question".

I am advised, sir, that in the final edition of tonight's *Telegram* the feature story on the front page states quite clearly and definitely that the phones of Magistrate Bannon and Magistrate Gardhouse were, in fact, tapped. The *Telegram* story quotes certain persons from whom they got that information. I think, Mr. Chairman, that the Attorney General must clarify either the correctness of that story or the information that he conveyed to the House on June 27 last.

Hon. A. A. Wishart (Attorney General): Mr. Chairman, I do not propose, for a moment, to verify any story that appeared in any medium of the press. I did not read the article. I do not know what it says. I take it that it says what the hon. member recounted, but my answer still stands at this moment the same as I gave before, So far as my knowledge runs, I only knew of the tapping of the line of one person.

Mr. Singer: Then, Mr. Chairman, continuing with the point of order, does the Attorney General not have a duty to fully inform himself as to whose phones were tapped, and to advise the House accordingly?

Hon. Mr. Wishart: No, I do not think I have any such duty, Mr. Chairman, at all.

Mr. Singer: That is a shocking thing to say. Just terrible.

Mr. Chairman: Vote 207, office of the director of the land registration. The member for Sudbury.

Mr. E. W. Sopha (Sudbury): I should like to ask the Attorney General, whether any progress is being made in the way of encouraging the registration of land in this province in the land titles system.

Hon. Mr. Wishart: Yes, Mr. Chairman, considerable progress. During the past year we have brought in under the land titles system quite a number of areas on application by municipalities and by our own initiative urging that this be done. We have plans in view which I think will expedite this further as we move along in the future. It is our objective to get one land system of a land titles type to cover all the land of Ontario.

Mr. Sopha: Would the Attorney General be able to give the House an estimate of what year we might project in the future that all the land in this province might be under the land titles system?

Hon. Mr. Wishart: No, I do not think I could state a year. One of the things is that there is considerable survey work to be done in fairly large areas of Ontario in order to make it possible to bring the title in the state that will be acceptable to land titles system. It has to be a certified title which you can guarantee is good.

The other thing that I should like to say, Mr. Chairman, is that I think the hon. member may recall, or may be aware, that the whole business of real property is one of the subjects being studied by the law reform commission under reference. I would expect it to make some very definite recommendations very shortly, when the study is completed. I think we would prefer to get those recommendations and then to implement them, and I am sure we will find it possible to do that. But I cannot name a date when that will occur.

Mr. Chairman: Office of the director of land registration. The member for Riverdale.

Mr. J. Renwick (Riverdale): Would the Attorney General please tell me why it would not be possible to pass a law of this Legislature saying, that after a certain day, every transfer of land in the province of Ontario, which takes place, will be made through the land titles office, as a simple method of getting this programme under way? If this had been done in 1945, a substantial part of the metropolitan area, for example, would now be in land titles.

Hon. Mr. Wishart: I suppose you could pass a law. It is easy to write an Act and say that, but the Torrens system, which is land titles, requires that the title be such that it may be guaranteed. It is a title behind which the government stands and assures that the person getting the title gets a good title without qualification.

Now to simply say, by a law, that the registry offices, where we have to search titles, henceforth would be in land titles, would require, in many cases, a survey to establish the boundaries. This is a very expensive and time-consuming thing, and somebody would have to bear the brunt of that;

either the individual property owner, the purchaser or the vendor, or the government. For one thing, we would not have enough surveyors to do it all at one time. It would require a great expenditure of money, and I do not think that it would be proper to put the expense of that on the individual. The way it is done just now is to bring it in in bulk by sections, by our own initiative. In northern Ontario, of course, a great proportion of the land there is under land titles. But I think that we can only do it from the registry offices in a somewhat piecemeal way; because of the expenditure and the difficulties in surveying and certifying the titles that are there, inherent in that registry office system.

Mr. Singer: Mr. Chairman, when I was a law student there was a very wise man who was the deputy registrar in the registry office —I am not sure that I have the title, but he was the senior civil servant in the registry office in Toronto—and he had been there a great number of years. I suppose he knew more about titles in the city of Toronto than perhaps anyone who has been there before or since.

Hon. Mr. Wishart: Was he in the land titles office?

Mr. Singer: No in the registry office. He never got to be registrar, because those were the days when the registrar always was the political appointee, and it was the deputy registrar who ran the office. The political appointee sat there and took the bows.

Mr. Sopha: Those days have not changed.

Hon. S. J. Randall (Minister of Trade and Development): Hepburn days!

Mr. Singer: Nevertheless—

Hon. Mr. Wishart: What year were you a law student?

Mr. Singer: After the war.

An hon. member: Which war?

Mr. Singer: The Boer War.

Mr. Chairman: Will the member be more precise?

Mr. Singer: Nevertheless, I remember talking with him one day, and he said in all seriousness, if somebody gave him the power to guarantee every title in that registry office and he could charge a dollar a title, he was sure he would end up a millionaire, because the very few bad titles in there really were not worth worrying about. I have remembered that remark for a long, long time, and I think what this gentleman said made abundant good sense. Which brings me to the point that our profession is doing a job in dealing with land that is not reasonable or fair to the public.

You can get an ordinary type of transaction where you have a lawyer for the vendor and a lawyer for the purchaser, and perhaps a lawyer for each of one or two or three mortgagees, all of whom, except the lawyer for the vendor, is going to charge the full tariff, based on a percentage of the purchase price, which includes a guarantee of titles. So you have three or four or sometimes five lawyers searching the same title, because no lawyer will accept the report of another lawyer, and if he is going to guarantee a title, it has to be his own guarantee.

I think that this is one of the things that goes to raising the cost of real estate. It must be. And I think, by and large, it is useless, and, by and large the legal profession deserves to be criticized for allowing the situation to continue and in not speaking out in a loud and clear voice and doing something about changing it.

Going back to my friend, the deputy registrar in the city of Toronto, I do not think it would be nearly the monumental task that some of us have assumed in the past, to put all of the property in the registry office in Toronto, which is probably the largest one in the province, under the Torrens system, under the land titles system.

I would think if we set about it with a real verve, that we can get the thing done in a reasonable length of time. We could thereby save the people of Ontario an awful lot of money, because as soon as it became apparent that all titles were being guaranteed as they are under the Torrens system, the necessity for these repetitive searches and the necessity for the unreasonable fees, would begin to disappear. I think that we would be doing a substantial service for the people of Ontario if we could move in this direction just as quickly as possible.

I have said this on other occasions, and the Attorney General, substantially, has not disagreed with me. But I do not think that we are making much progress on this line, and I would like to hear his comments.

Mr. P. D. Lawlor (Lakeshore): Lawyers are not going to kiss you for that.

Hon. Mr. Wishart: Mr. Chairman, I just want to reiterate that the things the hon. member has just said, were set forth in the reasons of the law reform commission as to why they are doing the study. So I am confident they will come up with some very definite recommendations at this time. I have to say that since they are doing that study and should produce it before too long, I should wait until the recommendations. I am sure that this is one of their objectives.

Mr. Singer: The name of the assistant registrar has just come to me now. It was Sam Dodds, and perhaps many of the lawyers in this House knew him when he was in that capacity in the city of Toronto registry office.

Mr. Chairman: Office of the director of land registration. The member for Lakeshore.

Mr. Lawlor: I will not be long. There are two small matters that I would like to bring to the attention of the Attorney General. One of them is that I promised a number of people at the registry office to speak to you, since they have come under the administration of justice. They have not had a raise in pay, they tell me, for three years, and I had to promise on the basis of a discount of my costs, to mention this in the House.

The second matter was connected with the sheriff's office. The liaison at least in Metropolitan Toronto, and certainly in Brampton, and so on, of the sheriff's office in searching of executions, and the registry offices—not the land titles in this case which does the search of execution free of charge—but in the case of the sheriff's office, that is a very bad connection. And while you have pretended to automate it—it comes through by some kind of teletype machine—the situation that exists, the log jam that takes place there two or three times a month is appalling, and sets back the whole operation of the system. Surely some other way can be found in which the names of people, execution debtors can be transcribed from the sheriff's office to the registry office itself, at which the lawyers are waiting for word as to whether to proceed with their transaction. I can assure you there is often a tie-up for three or four hours and longer.

Now, the answer that we were given in the profession is, "Well why do you not do it the day before?" The fact of the matter is that it is dangerous to do it the day before, because it may not be until the last moment that the execution comes in.

Hon. Mr. Wishart: Mr. Chairman, I do not think that the hon. member is correct in saying that they did not, as I understood him, and there had been no raise in salary levels.

Mr. Lawlor: I shall re-check with them.

Hon. Mr. Wishart: I think I am right that these masters of titles and registry officers and the staff there, particularly the registrars and the masters, were reviewed and their salary levels increased last year, picking up over a period of two years back when they had them delayed. This matter, I believe, is again under review and assessment. In any event, I will note that and will make certain of that.

Now, the second matter which the hon. member raises about the delay in getting the list of execution creditors over to the registry office: I was not aware of that creating a backlog. It must be localized here because I have not heard of it in other centres, and I have not heard of it at all as the hon. member raises it. There should be no reason, as far as I am aware, why, if it is lack of staff, or a lack of modern equipment for transmission and notation of the list of execution creditors, that should not be brought up to date and modernized and I will look into that also.

Mr. Lawlor: I can vouch for that one personally.

Hon. Mr. Wishart: I do not practise, of course, in Toronto, and I was not aware of that, but I shall certainly look into it.

Mr. Chairman: Is there anything further on the director of land registration? The member for Riverdale.

Mr. J. Renwick: Mr. Chairman, I want to pursue very briefly this question of the transfer of property to land titles. The legal profession has the monopoly in conveyance of real property in the province of Ontario, which is jealously guarded. The Attorney General can correct me if I am wrong, but my understanding is that the tariff charged by the legal profession is identical whether the transfer takes place in the registry office—and I am speaking about particular county tariff—or in land titles. The work for the transfer of titles through the land titles system is much less onerous, because of the guarantee of the title of the previous work which has been done. It is not possible that as some, even minor, incentive to get property transferred into land titles, the fee for the legal profession in transfers taking place in land

titles could be reduced, so that the clients of the lawyers would realize that if they are buying or selling property in land titles, the legal expense will be considerably less, and that there might be some added incentive to them to put it into land titles?

The other obvious method, to my mind, is to provide that in land titles the transfer of property be done by public officials, and that there be no need, once land is in land titles, for the intervention of the legal profession. It is, in my view, certainly time that under the land titles system, the monopoly of the legal profession be removed, and be limited to the transfer of titles in the land registry system. I think this would provide then a very real incentive.

I would like also to suggest to the Attorney General that unless the law reform commission, in the terms of reference made to it of the study which is now taking place of real property, has specifically had directed to its attention, the need for the total renovation of the land registry system, as distinct from the elimination of the anachronisms of real property law, that that reference should be made now, and that I would ask the Attorney General to tell us that it is part of their terms of reference, or that it will be specifically made part of their terms of reference.

Hon. Mr. Wishart: I wonder if the hon. member will just give me that latter question again.

Mr. J. Renwick: The latter question was whether the study being done by the law reform commission on real property is directed toward the removal of anachronisms in real property substantive of law, or whether their terms of reference specifically include among other things, the total renovation of the land registry system in the province of Ontario, either by immediate action of this assembly when the report comes in, or over a planned, phased programme which will see the end of the anachronistic system presently in effect in the land registry offices.

Hon. Mr. Wishart: I am certain, to answer the last enquiry first, that the study does cover substantive law. I know that I can answer the hon. member affirmatively on that. As to his question about anachronisms, I think that those are covered, but I shall make it my business to draw attention to the commission, if necessary.

I think that I mentioned earlier in the estimate that one of the persons employed by the law reform commission was Professor Mendes de Costa, who was carrying out a study of the basic reforms in our system, and I shall follow up from the question of the hon. member.

I think that it is a fact that the tariff charged by solicitors both in land titles conveyancing, and in registry office conveyancing is the same. Generally I think this is so. I believe that the tariffs are fixed by the local bar associations, and I think generally it is so, that the tariffs are the same.

On the suggestion of the hon. member that perhaps some inducement might be made to urge that land be brought under land titles—a reduction in the tariff under the land titles system—that might be a very meritorious suggestion. From my own experience which has not been in conveyancing for the past nearly five years, I must say that I would toss a coin as to my preference, whether I had to search a title and close a transaction in land titles or at a registry office. I found that while perhaps I had more searching to do, and took the risk—the responsibility of guaranteeing the title in the registry office—I found so many technical requirements in the conveyancing. If there was a mortgage, the amount of survey that was required in the checking of detail.

I found so much technical requirement in land title always, that I felt that system was becoming just about as cumbersome as, or even more cumbersome actually than, the registry office system, apart from the searching of title. And I would just as soon, in my practice in the one area of the province, close a deal in registry office as in land titles. I found myself sometimes doing much more work to satisfy the very difficult requirements of land titles. I have been concerned—I think I would say this here—I have been concerned with how this system has grown in its attempt to be perfect as to title, and has laid on some very technical requirements, some very onerous requirements. I would hope that they could somehow be simplified. Actually, I am giving consideration to that.

Mr. J. Renwick: Mr. Chairman, would the Attorney General tell us whether there have been any claims made against the fund under the land titles system during his term of office as Attorney General?

Hon. Mr. Wishart: Not that I am aware of. I think it is very unlikely that any have been. That assurance fund is held to a certain level now and we transfer the interest to the consolidated revenue fund but I know of very few claims down through the years that have ever been made against the insurance company. I had occasion one time, if I may

speak of my own experience, to make a claim which I thought was a very valid one because the government itself had actually laid the title on, over a title for which an individual held a certificate of ownership. I made a claim but it was not successful, against the insurance fund. However, there was a compensation of another kind offered to that dispossessed owner. I have a note advising me that there have been a number of claims each year, approximately three or four, ranging from $500 to $5,000 each.

Mr. Singer: Mr. Chairman, there was a case which I came across—I did discuss it with the Deputy Attorney General; I think I wrote to him about it—where there had been a mistake made, based on an original survey which was made 50 or 60 years ago and the master of titles was compelled, under the provision to The Surveys Act, to review the whole matter. The Surveys Act has a peculiar clause to it, seeming to indicate that if the survey is wrong there should be no compensation.

There was an unusual way figured out as to how to get around it because the aggrieved person, the person down at the end of the same title, had acquired title from the land titels office and the title passed through several hands from the time of the filing to the original survey. Suddenly, someone else discovered that the survey had been wrong and the injured person appeared to be without a remedy because of this peculiar clause in The Surveys Act. As I say, there was correspondence addressed to your deputy and there was a way, I think, figured out to get around this unusual provision. But I would urgently suggest to the Attorney General that he review this matter and bring in the proper amendments because on the face of the statute and certainly on the face of the provisions in The Surveys Act, it does not seem reasonable that this situation might occur even one time again.

Mr. Chairman: Office of the director of land registration. Anything further on the part? Carried.

I wonder if perhaps the next two—is there anything there? This is still land titles and registry offices—is it my opinion those two particular headings are carried?

Office—official guardian's branch.

Mr. Singer: Yes, Mr. Chairman, I wanted to say something about the official guardian's branch in connection with a matter that came to my attention not too long ago.

The official guardian's office seems to be an office that looks after matters that are brought to its attention as a result of an ensuing problem, usually as a result of possible potential litigation where there are people who are amply informed about their rights, probably through counsel, and where the official guardian acts then on behalf of infants or unborn infants or that sort of thing.

The case I refer to was where the father of three or four children, all of whom were under 21—they were quite young—died intestate. He had been separated from his wife who was excluded by his separation agreement from participating in his estate. There was a dispute between his brother and father-in-law as to who had the right to be the administrator of the estate and the dispute went on for an indefinite period of time. Whether the matter has been solved yet or not, I do not know. I tried to interest the official guardian in stepping in on the basis that the rights of the infants were being seriously interfered with because the estate was wasting. Nobody seems anxious to apply for administration and there were assets, not a great many—it was not a large estate—but there were assets that were disappearing for a variety of reasons.

The official guardian or a solicitor in the official guardian's office pointed a certain section of The Official Guardians Act out to me. It seemed to satisfy him reasonably conclusively that he had no authority to come in as of his own initiative. It would seem to me that the time has come to have a real look at The Official Guardians Act and at The Public Trustees Act, which is the next thing and to direct our attention as to whether or not these two offices could not and should not be expanded very substantially so that the two officials, the official guardian and the public trustee, have a duty placed on them by law to move into any matter where it seems that infants and/or other people who are not able to protect themselves need protection.

In other words, I do not think the limits should continue to be as they appear to be now that the official guardian and/or the public trustee come in only after the matter has been brought to their attention in the case of pending litigation on the case of an infant settlement or in the case of an interpretation of a will, and so on. I would think there should be written into both of these Acts, the responsibility addressed to both these officials, to have the general supervisory jurisdiction in favour of all people in

Ontario who cannot otherwise protect themselves. And it should be sufficient to start the machinery of those offices working when it is drawn to the attention of either the official guardian or the public trustee, that there is a danger. And with little more ado, if they are satisfied that this is the situation, they can step in and they do not need the present assurances that both fees are going to be paid, for instance.

Another thing that bothers me so much in court is that when you see the official guardian in court and/or the public trustee, substantially they come to court to say, "We have agreed and our fees, Mr. Justice So-and-so, we would suggest, would be in the amount of $60 or $80 or $100" whatever it is. I would think that their interest as public officials in the branch of this department rather than being concentrated, to a substantial extent, on extracting fees out of these estates, should be to a reasonable extent to the protection of people who could not otherwise protect themselves.

Hon. Mr. Wishart: I think there is considerable merit, Mr. Chairman, in that suggestion. I was not aware of that. The official guardian who has a function—perhaps I should not say a duty—as guardian of infants' estates not the persons, would, I would have thought, on the request of a solicitor—I take it the hon. member was acting—have the capacity to act in that manner and would have come in.

Mr. Singer: I could not get him at all.

Hon. Mr. Wishart: I shall be glad to look at that.

Mr. Singer: I discussed it with your deputy and he tried, too—

Hon. Mr. Wishart: I shall look at that. I have made a note of it. On the other note on which the hon. member ended with the official guardian and public trustee, I think he mentioned the official guardian particularly; he seems to be interested generally in his fees. My own experience has been that when I think of the official guardian and the public trustee, which I have done, they sent long reams of instruction and questions querying almost everything that was done by the executor of the estate and questioning the way the accounts were set up and so on and entailing a lot of work and I think they well earned—

Mr. Singer: I am not saying—

Hon. Mr. Wishart: I would say this: They certainly make me earn more than my fee.

Mr. Singer: I am not suggesting that the people in there are not competent, that they do not do their work, but I did suggest a couple of years ago certain things that I found wrong, and that situation has been cleared up. I am not suggesting that the people in those offices, by and large, are not very competent people and do not earn their worth, but you see them most frequently in courts, standing up and saying, "I concur in this, Mr. Justice so and so, please fix my fees at"—and this is sort of the constant memory that I have in any event of what they seem to be doing most often.

Hon. Mr. Wishart: I think, perhaps, I must say—perhaps I should not say it but I trust the hon. member has not been asked to act for the official guardian.

Mr. Sopha: No, but you would appreciate that—

Hon. Mr. Wishart: I just wondered about that, but if he has I will tell him that the official guardian will make him earn his fee.

Mr. Chairman: Anything further under the official guardians' branch?

It being 6 of the clock, p.m., the House took recess.

Legislature of Ontario
Debates

No. 137

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Thursday, July 4, 1968

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JULY 4, 1968

The House resumed at 8:00 o'clock, p.m.

ESTIMATES
DEPARTMENT OF THE ATTORNEY GENERAL
(Continued)

On vote 207:

Mr. Chairman: Public trustees branch, agreed to.

On probation services branch, the member for Yorkview.

Mr. F. Young (Yorkview): Mr. Chairman, in connection with the probation services branch, I would like to ask the Minister about the present status of his staff: How many staff members there are, what the case load is, the average case load, what is the maximum case load for any one member of the staff; and how does the Minister feel as far as the staff is concerned—is it adequate to do the job it is designed to do at the present time?

Hon. A. A. Wishart (Attorney General): Mr. Chairman, the total number of probation services complement is 419. That includes the supervisors, the probation officers who are 256 in number and the secretarial-clerical service which is 136; a total of 419.

As to case load, the total number of cases under supervision: Adult cases, and I am giving the figures for 1967, 12,287, and children 6,584; a total of 18,871. That is an increase, I may say of 14 per cent over 1966.

I have not got actual individual case loads.

Mr. Young: Is that 256 actual officers?

Hon. Mr. Wishart: Two hundred and fifty-six probation officers, plus the 27 who are supervisors; they are also doing the same work in a senior capacity as the probation officers.

Mr. Young: It is rather a heavy case load then.

Hon. Mr. Wishart: It is, I admit, a heavy case load. I do not have the figures, but they vary from individual to individual. The hon. member has probably worked out the average.

Mr. Young: About 70 average.

Hon. Mr. Wishart: About 70, yes.

I think the recommended number is around 50 or better or thereabouts; but not all of these are really the type of case that needs immediate or continuous, say weekly or bi-weekly, investigation so that while I might be prepared to admit that we are carrying a very heavy burden of work, with what might perhaps be considered to be an inadequate staff, the probation officers are all doing, I think, satisfactory work in the situation. While we have asked for additional complement I think we are able to carry the work load which is before us in a fairly adequate way.

Mr. Young: How many extra officers is the Minister asking for at the present time? What is he seeking to make up the proper complement to bring the case load down to adequate proportions?

Hon. Mr. Wishart: We have asked for 15 due to the takeover of the Ottawa and Sudbury juvenile and family courts for probation services and also the number of 12, nine probation officers and three clerical, making 27 altogether that we have added to our complement.

Mr. Young: I would take it, Mr. Chairman, that the 15 you are seeking for the Ottawa area would in part be filled by present staff there.

Hon. Mr. Wishart: Yes, that is right. The Ottawa and Sudbury areas are filled by present staff.

Mr. Young: That means about 12 new people?

Hon. Mr. Wishart: Yes, that is correct.

Mr. Young: May I ask what are the prospects of securing that extra staff?

Hon. Mr. Wishart: We have been able to get the staff we need.

Mr. D. C. MacDonald (York South): The Minister speaks as though there has been no particular problem securing qualified personnel. Now a few years ago, either he or his predecessor indicated that he had reached a point where it was difficult to get qualified personnel. Otherwise, the Minister indicated, he would have been willing to expand the staff. Are you running into difficulties in getting adequate staff or are you running into trouble with the Treasury staff in getting adequate money to hire the staff?

Hon. Mr. Wishart: I do not think that it is correct to say that we have run into trouble with the Treasury board on the moneys that we have asked for. We are treated well. We have some difficulty in getting the type and quality of person we require, but I must inform the House that I have applications on hand from persons wishing to be taken on as probation officers and while they have quite good qualifications they do not quite meet our standards; we are quite selective in this area.

I have had to inform some people that we just did not have a position open for them at this time, but it is not so much the difficulty in getting the quantity of probation officers that we want, but because I think that this is a very important area in which the character and ability and the understanding and approach of the person is most important.

Mr. MacDonald: Well, just let me add briefly, if I may: I would agree that I think standards should be safeguarded, but on the other hand, if this is not the serious problem and you are not having difficulties with the Treasury board, I would urge as fast an expansion of the staff as is possible. Returning to the figures that the hon. member for Sudbury (Mr. Sopha) put on the record yesterday, I think that as soon as we get away from as large a proportion, relative to our population, of people getting into jails instead of on probation, the sooner we are going to have a modern penal system.

Vote 207 agreed to.

On vote 208:

Mr. H. Peacock (Windsor West): Mr. Chairman, I want to discuss some glaring inconsistencies in the manner in which concern for public safety is expressed in the province. I want to deal with two very much contrasting situations, one in Metropolitan Toronto and the other in the city of Windsor.

In the city of Windsor in April of this year a group of people applied to the Windsor police commission for a carnival permit along with their application for a parade licence and a licence for the use of a city park in which to celebrate the emancipation day festivities. These have been carried on in Windsor since 1905, commemorating the freedom of the slaves in the United States and the British Empire.

The application for the carnival licence was denied by the police commission. The organizers appealed that decision to the Supreme Court of Ontario, which upheld the Windsor police commission. It did so, and the commission reached its decision, on the basis that public safety would be jeopardized by holding celebrations, which were to take place at the beginning of August of this year, many months after the application by the organizers was made. The police commission apparently has this wide discretion to anticipate events, to look at existing circumstances and from these anticipate how they may continue unaltered or changed in the future.

Now one of the ironies of the situation, Mr. Chairman, was that under the powers vested in the police commission to issue licences it had no right to refuse a parade licence. It had to grant the parade licence. Its only authority was to regulate the manner in which the parade could be held, and accordingly they granted the parade licence. Surely this is an utter inconsistency, that the police commission in the interest of public safety is empowered to grant a licence for one form of activity, or not grant it, and in the other case of the exercise of the right of assembly in a parade it has not authority to deny a licence.

I know that the Attorney General will say that there is a considerable distinction between the two matters, granting a parade licence and granting a carnival licence. Unfortunately, in this situation the two applications had to go hand in hand because the success of the festivities depended on the ability of the organizers to raise funds to pay for the celebration through the carnival.

Now I do not want to discuss the other element in this case, Mr. Chairman, which is a charge of discrimination by the organizers of the emancipation day celebrations against the Windsor police commission. What I want to discuss is the broad discretionary power which in the interests of public safety is given to police commissions to grant or refuse carnival licences. I feel, Mr. Chairman, that it is fortunate they have no discretion

in granting parade licences—affecting the right of assembly, because I am convinced that in this instance, had the Windsor police commission had that authority, they would have denied a parade licence also.

We have the reports in the Windsor paper of the meetings of the Windsor police commission in which one member of the commission was quoted as saying, "if we do have the right to deny a permit"—it was not then established to the commission's satisfaction that it did not—"then I move not to grant it." There were other comments by the chairman of the police commission who said that he might consider granting the licence if the organizers agreeed to two conditions, one of which was the provision of statistics to the commission as to the number of negroes who might support the carnival.

It was an offensive and unnecessary examination of the applicants. Let me contrast that situation, Mr. Chairman, with what took place in Toronto on May 5, where a self-avowed Nazi, the leader of the Canadian national socialist party, appeared in Allan gardens to deliver a diatribe of hate against minority groups in this country and was protected, was protected, by the police of this city in such large numbers that they outnumbered the audience of David Beatty by several times.

According to the press reports of that meeting there were police everywhere. The man was surrounded by three rings of police, the middle ring of which was mounted. There were police on the rooftops of nearby hotels, and the deputy chief of police himself was present to direct operations, which the newspaper report said were carried on with military precision in anticipation, Mr. Chairman, that there might be some danger to public safety in view of the events that had taken place at the similar meeting held by this man in May of 1965.

Mr. V. M. Singer (Downsview): What was the date of this meeting?

Mr. Peacock: I am speaking of a meeting held in Allan gardens on May 5.

Hon. A. Grossman (Minister of Correctional Services): It did not get any publicity and now the hon. member is giving it publicity.

Mr. Peacock: The second meeting, Mr. Chairman, did not get any publicity, but the first meeting which John David Beatty held this year, occurred on May 5 in Allan gardens. I am saying to the Attorney General, Mr. Chairman, that where the city of Toronto had no alternative but to grant this person the right to speak in a public place they provided hordes of policemen to secure his person and to prevent rioting, in order to protect his right to spew out hate and venom against minority groups. Yet in another community of this province we are unable to guarantee the public safety of people participating in and helping to organize and observe a long standing commemorative event, Mr. Chairman, which we in this province regard as something which distinguishes us, we often point to this as something which distinguishes us, from our brothers on the other side of the river that divides Windsor from Detroit.

Now I think, Mr. Chairman, that if regard for public safety is to be paramount in events of this nature, then surely, Mr. Chairman, we can find ways of guaranteeing to peaceful citizens the exercise of their rights. Why should a responsible citizen be denied the right to carry out an activity celebrating something which he cherishes because someone else might happen to come along and interfere with it.

What the police commission has said what the Attorney General—what the Supreme Court of Ontario—has said is that "X" will be denied his rights because of what "Y" may do in the future. I think, Mr. Chairman, that the discretion which the police commission has exercised in Windsor in this instance, a discretion which has been upheld by the Supreme Court of the province, has got to be narrowed by statutory amendment and has got to be placed in the same category as the right of the commission to issue permits for parades and the right of municipal councils to issue permits for the use of public parks for public functions.

I hope that the Attorney General will consider introducing such a statutory amendment and end the situation which resulted in such a glaring inconsistency as between Toronto and Windsor.

Hon. Mr. Wishart: Mr. Chairman, I am very interested in the remarks of the hon. member. I think he perhaps overlooks some of the factors, some of the facts and some of the features of this matter.

In the matter of the Beatty situation in the city of Toronto, which he mentions and which he outlined, the commission had no hesitation, or at least they granted him the right to appear; and as the hon. member said, he used the occasion to spew out hate and

venom. They had some knowledge, some previous experience, of what was likely to happen, of his attitude, his approach and what he was likely to do. While they granted permission for the meeting and the demonstration of the occasion, they were there in large numbers, and in the interest of public safety; not to protect him so much as to protect the public. That is one thing.

In the situation in Windsor, which happens to be a border city; bordering the great city of Detroit where there have been disorderly situations, riots, shootings, damage to property, injury to persons; it certainly could be well anticipated that if the permit requested was granted there would be a large influx of people from another country. I hesitate to say a foreign country but technically that is so.

I have great confidence in the behaviour and the conduct of the citizens of Windsor, Ontario, but I think it could be well anticipated, and the police commission was well aware, that if permission were granted for the carnival, which was an extended situation over a number of days, there would certainly be, particularly on the occasion of the parade, an influx of persons from another country who have a different approach, apparently, than our atittude towards respect for law and order; which they have demonstrated across on the other side of the river, across from Windsor.

It is not for me to say whether the police commission was right or wrong. The matter was referred to the human rights commission and was referred to the Supreme Court of Ontario, which held that the police commission had within its authority and within its power to refuse to grant the permit relating to that matter. That is determined by the court, and I accept the decision of the court.

The hon. member, I take it, suggests that in these circumstances, for reasons which he has set forth very succinctly and very cogently, that we should now consider changing the law relating to the matter and make it possible for some other approach to be taken. I can only say to him that I think it is within The Municipal Act that the authority is given, that is where the legislative changes have to be made.

He says surely we could find ways to carry out peaceful demonstrations. Well I think we can if we were dealing with our own citizens, but I am sure he would be fair enough to say that this is a situation where we were not dealing simply with the citizens of our province. This is a border situation where there has been demonstrated, within a very short distance across the border, a very different situation than we contemplate and than we have to face in this country. Surely the police commission of the city of Windsor had to take into account the facts of the matter and to anticipate what would be likely to happen if a large number of citizens of that country were to come in, and with their attitude towards certain things, what they consider a grievance, demonstrate in our country their resentment of a situation which they have faced in their own country.

I think perhaps we are not to be involved in that if we can avoid it.

In any event, all I can say is that the Supreme Court of this province, having reviewed the matter and having decided that the police commission of the city of Windsor had the power to decide to take the action they saw fit, it is scarcely for me to say that the court decision was wrong.

When I come to the suggestion of the hon. member that we should make a change in our statutory legislation, I would be glad to think about the matter, to consider it further—as I point out, I think it comes within The Municipal Act—but to make a firm decision that I would accept that suggestion at this time, that I am not prepared to do.

Mr. Peacock: I hesitate to charge the Attorney General with drawing blanket conclusions about the character or the probable behaviour of people who are invited to an occasion in Windsor, because the only point of fact on which the counsel for the organizers of the emancipation day celebration, who is associated with the Canadian civil liberties union, and the counsel for the Windsor police commission and the city of Windsor itself agreed, was that there would be approximately 10,000 people in attendance.

Nothing at all, Mr. Chairman, was assessed as to the conduct of these people who had arrived in Windsor from Detroit and other parts of Michigan; many of whom, I stress, would have been invited by the organizer of the celebration. I ask the Attorney General: Under any other circumstances in maintaining public safety, could not the same measures be applied? For example, the border controls, the Windsor police themselves with their knowledge of individuals who might cause trouble; surely, Mr. Chairman, surely it is an unfounded assessment of the situation to say that the people invited to come to Windsor are likely to cause trouble.

How can the Windsor police commission, or the Supreme Court in endorsing the police commission's decision—and I will quote from the opinion of Mr. Justice Scott:

> In my view there was evidence before the police commission to justify the fear of a possibility of civil disorder in Windsor by the emergence into that city of large numbers of negroes from Detroit over a period of several days in August, 1968.

Sure, Mr. Chairman, there had been riots in Detroit in the summer of 1967, and again very briefly, and very minor ones following the death of Martin Luther King; and certainly there was a possibility that some of the people who participated in the riots of 1967 and those following the death of Martin Luther King would attempt to cross the border and possibly take part in the parade or the carnival. But is there not, Mr. Chairman, just as much likelihood of criminals and hoodlums from Windsor itself jumping into the situation in order to cause trouble? Do we deny the right of people to meet and assemble and carry on a business activity in support of their celebration because there is a danger of someone, no matter what their colour or where their origin, causing trouble?

I think, Mr. Chairman, that the danger of the anticipated trouble just was not established. I think that the frame of mind of the police commission, it is on the record, was wholly against the holding of the celebration this year. I think that the same restriction that applies in the case of the granting of the parade licence should be considered in the granting of the carnival licence.

I appreciate the necessity for the exercise by the police commission of due care for public safety, but I believe in this case, Mr. Chairman, they allowed their better judgment to be put aside. They allowed other factors to influence them, which they should not have allowed to influence them. I think to prevent that happening in the future the Attorney General should give that suggestion consideration.

Hon. Mr. Wishart: I cannot let the matter rest just here.

I have said I would be willing to give the matter consideration, but surely the hon. member does not suggest that the police commission of Windsor should shut its eyes to the facts, the circumstances, which surrounded this application. True, we could argue, as he has argued, that people could come in, and they might be the most estimable citizens, from the neighbouring country; but the fact is that there had been riots, there had been killings, there had been shootings, there had been disorders; and the situation is aggravated by certain recent events in the United States. Not to be aware, not to anticipate a large influx of these citizens for this particular type of carnival—this particular parade—not to anticipate that would be to shut one's eyes to what everything circumstance pointed up was likely to happen, was likely to occur in this country.

As I say, we were not dealing here just with a local situation with our own citizens. I think the police commission was bound, in the interest of public safety to the citizens of Windsor, to take into account all these factors which almost guaranteed what would occur.

I think to close my comments on this matter and on the member's suggestion for a change in the law, we might observe a situation which is current and see what happens in coming weeks, and then perhaps assess the whole situation.

We are not dealing here, and I make this point clearly and firmly, we are not dealing here with just our own citizens or our own territory, or our own citizens or country; we are dealing with the question of admitting, in a border city, a great number of people from a different country, who take a different view and who have a problem which does not concern this country at all, because we are not faced with it. I think that any commission that shuts its eyes to those facts would be derelict in its duty.

Mr. Peacock: I would like to pursue just one more point.

I am unaware, and I am sure that the Attorney General is unaware, as was the Windsor police commission, of any particular circumstances surrounding the application within Windsor itself; unless, this is a backhanded way of saying that Windsor has its own problems of the kind that exist in the United States and that any admission of people from the United States who are negroes is likely to create a flashpoint that will draw out of Windsor people the same kind of violence. This is the inference that is left by all of this.

Mr. Chairman, the whole point of the celebration is to bring people together who have something to celebrate other than the violence and trouble between the races in the United States. That is the whole point of the celebration.

We are not asking people to come over to our side to start trouble, we are asking

them to come over to Windsor to participate in the celebration which commemorates and honours the act of emancipation. How the officers responsible for public security and safety in the province can leap to the conclusion that there will automatically be trouble, as they have—they have not just talked about the possibility in many of the public utterances, they have said that there will automatically be trouble if this celebration was held. I might say in parenthesis that it is not going to be held in Windsor because of all the difficulty surrounding this—is something which I find extremely difficult to cope with in the House. I do not want to get into the other issue in this case, but I am afraid that it is facing us and we are going to have to deal with it, in terms of race relations in the city of Windsor.

Hon. Mr. Wishart: We can deal with it in the city of Windsor, that is what I have been saying.

If it were a local situation, among our own people, I think that we could find reasonable, proper, fair and equitable means of dealing with it. But the hon. member is suggesting we grant this permit to invite into that situation persons from another country who have a different problem and who are aggravated by the situation there. I think that it is almost automatic that one would assume they would demonstrate in some way to show their dissatisfaction and disillusionment and grievances in our country, and create a situation such as occurred in the sister city of Detroit; which we would not want to have in this country.

I did not mention this when I stood up before, but the hon. member mentioned that with our border patrols we could contain the situation and that the police know these people. This is, I can only say, nonsense really; because border controls cannot distinguish the persons who come in, nor do our police know them, people from a foreign city who come in. These things would be useless in that situation. I think that I must say, with the backing of the Supreme Court, that the commission had the authority and properly exercised it with discretion.

Mr. E. W. Sopha (Sudbury): Mr. Chairman, I make no observations about the decisions of the Windsor police commission whatsoever. My friend from Windsor-Walkerville (Mr. B. Newman) and the others have that completely within their purview.

I am, however, concerned about the observations of the Attorney General. I was in some doubt about the position that he took, but he clarified it a second ago when he referred to the differences of the problem. It is perfectly clear that what the Attorney General for Ontario is saying is that these problems of race relations are American problems and they belong in the United States and he does not want to countenance the importation of grievances into Canada. Well I cannot let that pass of course.

Pointing out the historical contrast of the situation that our great grandfathers faced just over 100 years ago, at that time and in the intellectual climate of that day they were not content to leave the issue of slavery to be purely an American problem. They opened the doors of Windsor to allow refugee slaves to come in here, thus exhibiting great humanistic qualities toward those whom our great grandfathers thought were abused because of the state of laws, which in some way the Attorney General puts it tonight, were the laws of another country.

I used to think, until just a few moments ago, that perhaps I was too nationalistic. I am not nearly the narrow nationalist that the Attorney General for Ontario is, because he invites us to support him tonight when he says: "We have our border with the United States and the problems south of that border are their own; we must on no account countenance any demonstration in respect of those problems within the four corners of the province."

Now that is inconsistent with a couple of things. I prefer the attitude of a couple of thousand students who went down and demonstrated outside the American consulate one year ago about the treatment of the coloured people in Alabama. That enthuses me more than the Attorney General's view.

The other thing is that the Canadian government, notwithstanding very severe censure and a worsening of relations with Washington, has made Canada, other provinces but principally Ontario, a haven for those evading the Vietnam war in the United States.

That was a Canadian government decision. But I take it that the attitude of the Attorney General of Ontario is entirely parochial, that on no account must we have any form of demonstration in Canada that refers to some undesirable situation in the minds of the demonstrators concerning some other jurisdiction.

Well if that is his view, that is not the type of country I particularly want to live in. I am more an internationalist than that. I

hope that, notwithstanding my devotion to this country, that my mind can range across the borders and worry about the plight of my fellowman elsewhere.

It may be that the Windsor police commission in the circumstances were right in their order. I do not quarrel with that, but I hope that their order was based on different reasons than those of the Attorney General for Ontario. I hope that they had other motivation than that, and I hope that we Canadians will not be so self-satisfied and so sedentary or unctuous in our beliefs that we can turn our backs on inhuman conditions elsewhere and say: "Well, that may exist there, but for heaven's sake do not import them into Ontario. We don't want to be bothered with them and we do not want any possible upset of our fairly droll and uneventful lives that some attention to those problems may bring."

Now, I do not think that I distorted his language. I think I paraphrased it quite correctly to show the contrast in his view and my own view.

One of the glorious chapters in our history was the underground railway, where we gave refuge to people who were going north. And by north they meant to Canada. That was the pseudonym for Canada. They called it going north. Martin Luther King, when the CBC invited him up here a year ago to give the Massey lectures, which is becoming quite an honour to be bestowed on a person, in the very first lecture he referred to the long-standing connection of Canada with the coloured people of America. That is how he began; he showed the justification of the CBC in inviting him here because of that long history of friendship and refuge and haven for downtrodden people, his people that he wanted released.

Well, to me, as a Canadian, I feel exactly the same way as my great grandfather must have felt when he lived over on the farm at Belleville in 1864, before then, that it was perfectly all right for those people to come in here. I would have them come in, I must say, without quarreling with the Windsor police commission at all, I would have them come in here and then show a little enthusiasm for their cause if they wanted me to.

It makes one feel all the more sore about it when one knows that this has been going on for a long time. This celebration has been going on for a long time and for the first time, this year, the door was closed to it because of insurrection across the border.

Now I want to make it perfectly clear that I do not quarrel with that decision, and if my friend from Windsor-Walkerville tells me it was all right, then that is fine with me; but I do quarrel with the reasons given by the Attorney General for Ontario for supporting it. That parochialism and national comfort that he portrays, to me, are for the birds.

Hon. Mr. Wishart: Mr. Chairman, the hon. member for Sudbury is a pastmaster of misconstruing and misinterpreting any straightforward clear remarks that one may make. I am just as proud as he is of the fact that in the days of slavery we were a haven in Canada to those who sought refuge from slavery. But to invite into our country the individuals from that system, which no longer exists, is one thing; to invite on a particular occasion a demonstration of persons who may demonstrate in a way in which they have demonstrated across the border of our country—with violence, death, destruction, burning, damage—is another thing.

He says this occasion has been going on for a long time. Certainly it has been going on for a long time, but it has only been of recent time, only of very recent time, that in our great neighbour, as a result of conditions that exist there, there have been these demonstrations, these violent demonstrations.

Mr. J. E. Bullbrook (Sarnia): You do not remember 1943 too well, do you, when they threw them off the bridge.

Hon. Mr. Wishart: Only of recent times have these particular types of demonstrations been occurring in the neighbourhood to the south of Canada. To shut our eyes to that situation and to invite into a border city a situation which could develop into that type of damaging demonstration, I think would be no service to either our country or to the cause about which these people feel so deeply or to our neighbour which is so friendly.

Mr. MacDonald: Why are you so fearful?

Hon. Mr. Wishart: I do not think it is a case of being fearful. I think we could contend with it.

Mr. MacDonald: Face up to it and do not cut it out.

Hon. Mr. Wishart: But I am simply pointing out that there is no relation whatever to our attitude in the days of slavery and giving refuge to the individual and creating a situation where those of another country may come in and demonstrate in the way that they have demonstrated, with violence.

Mr. MacDonald: I agree with your criticism of the hon. member for Sudbury, but you are confusing the basic issue.

Hon. Mr. Wishart: I think this is irrelevant; I am simply saying that the member for Sudbury is a past master at—

An hon. member: Circumlocution!

Hon. Mr. Wishart: Well, not only circumlocution, but at misinterpreting and twisting meanings and words.

Mr. Sopha: Not at all.

Hon. Mr. Wishart: I do not accept that at all.

Mr. Sopha: You said that it is their problem.

Hon. Mr. Wishart: I am no less proud than he is of the part that Canada has played in helping to free the slaves, but I do not think we have a part to play in encouraging what might possibly be a demonstration of the type that occurred across the river from Windsor. I think the police commission was right in its decision.

Mr. Chairman: If the members would not mind just for a moment: Before we proceed with vote 208, upon second look the Chairman notes that there are several distinct divisions within this vote, which divisions are quite clearly separate. Perhaps with the concurrence of the Attorney General and the members of the committee we could take this particular vote in the same manner that we did the previous vote under the specific, not item by item but under the various titles as shown.

For example, under the office of the assistant Deputy Attorney General there is an item in the previous vote in that very same title, but the centre of forensic sciences, emergency measures, fire marshal, supervising coroner are distinctly separated.

With the concurrence of the Minister and the committee—

Mr. Singer: He is talking about two different assistant Deputy Attorney Generals.

Mr. Chairman: The headings are identical, but as they relate—

Mr. Singer: It is headed the same.

Mr. Chairman: The Chairman quite understands!

If the committee concurs, and the Minister concurs, we will deal with it under the titles as indicated. Now if there is anything under public safety that is not specifically mentioned in these other items, let us have it now.

The member for Sudbury East was on his feet two or three times.

Mr. E. W. Martel (Sudbury East): Mr. Chairman, through you to the Attorney General, last fall in a planned demonstration in the city of Sudbury, in an effort to bring a study area at the University of Sudbury called the Nags Head under the sponsorship of three university professors and certain people working with the alcoholic and addiction centre, a demonstration was lined up involving the university students. On the afternoon that the university students were to march the order came from the police commission that this had to be stopped. I went with the Reverend Colin Clay, to see the chief of police, and lo and behold I could not find him.

So we then left the police station and went over to the court house and saw the gentleman from the court house, who is also on the police commission. We discussed this matter of the university students having the right to march. They had made application, and at the last minute they were turned down.

We were told that—or we advanced the idea—that this being a university town we could expect demonstrations in the future, as all university students do this, and this would be the first. However, we were advised that the public safety was at stake and that any students who left that university to go to Bell Park in Sudbury would be arrested.

Now there were police up on buildings, there were police cars surrounding the park; and to show you how dangerous these students were, when they were denied the right to march we went back to the park and told them to disburse and go home, which they very obediently did.

Now this was not a very wild march and it was not a very enthusiastic group, not one that was going to break things. Yet they were denied the right. Certainly there was nothing similar to the condition my colleague from Windsor West outlined. Certainly the police commission's argument was opposed to what we were trying to do, or the theory that we advanced, that they had a right, a freedom of speech and a freedom of demonstration. The police commissioner said no, and in fact he elaborated quite

largely on the fact that they had to protect the citizens of Sudbury.

Now there was no danger involved. We found one member of the three-man commission and it was denied; this very peaceful, orderly demonstration that could have led to no harm to anyone was denied.

Now again, in keeping with what my colleague from Windsor West has said, I think there has to be consistency somewhere. If we can protect the citizens of Toronto against Beatty, then certainly we should be able to protect the students' rights in Sudbury and the citizens of Sudbury, because it would not have been a wild demonstration.

I would appreciate the Attorney General's comments.

Hon. Mr. Wishart: Mr. Chairman, I think I would agree with the hon. member, quite frankly, that perhaps there was no reason. I do not know any more facts than he has given me. Perhaps there was no reason to deny a permit for this march, this demonstration, this parade.

All I can say to him, knowing just what I know and what he has told me, is that this is a matter on which there is nothing in The Police Act which gives the police commission this authority. It is a matter which is delegated by the municipal authority, by the municipal government, to a police commission to pass upon the question of permits for certain parades, demonstrations, carnivals and things of that kind. If there is a problem here, which there appears to be—I do not think there is a problem in the Windsor situation other than it has been disposed of—but I think in the situation related to the House by this hon. member, perhaps we should look at The Municipal Act to see whether there should be some restriction put on that authority or that it should be retained by the municipal government.

It is quite conceivable, and I can understand that police commissions may exercise an authority delegated to them in a wrongful or in a restrictive way. I am not arguing or taking issue with what the hon. member has said. As I say, this is the first time that I have heard of this incident. It would be a matter for study in our municipal field of legislation to see whether that power should be enlarged or should be even more carefully defined, or whether it should be delegated to such an authority as a police commission.

Mr. Chairman: Anything further under general public safety?

Mr. R. Gisborn (Hamilton East): Mr. Chairman, I want to deal for a moment with the so-called anti-riot chemical Mace.

Notwithstanding the comments that have been made in the past few days in regards to this chemical, notwithstanding the questions that have been put to the Attorney General and the answers given, I feel that we should have a more clear statement and an enunciation by the government as to the continued use of this chemical in the province of Ontario.

This chemical was introduced in Hamilton by a police officer speaking to a service luncheon a week and one-half ago; very indiscreetly, I feel, and a lot of the citizens of Hamilton were quite concerned.

Now I am not an expert in this sort of thing. What concerns me, and I am sure concerns many people, is the indecision and the differences between the experts in this field as to whether or not this chemical will be injurious to health. There is no doubt that when it is used, as it was used in London, an innocent bystander could be affected.

I understand that the use of it was tested personally by a reporter in Hamilton, in keeping with instructions he was given by a police officer that it should be used at three-foot distance in three-second shots. He took the test and it knocked him unconscious momentarily, and burned his eyes and his body before he could get rid of it. He had to go home and change his clothes and take several baths. The after effects were something, as he puts it, he has never experienced before.

Mr. Chairman: Might I suggest to the member that earlier today this question was put to the Attorney General in a fairly broad manner and the Attorney General did provide answers at that time. I am just wondering whether the member for Hamilton East has anything further to add to that which has already been—

Mr. MacDonald: He has added a good deal more to it.

Mr. Gisborn: Yes, Mr. Chairman, I want to add my comments to those that have already been made.

The thing that concerns me with this weapon—and I comment under this estimate for the benefit, or for whatever conclusion the Attorney General may want to draw from it—the thing that concerns me is that this kind of weapon can be imported into

Canada and can be used by the province, under the provincial police, and can be used and stored on the shelves of the city police without the decision being made by a political body.

I think it is incumbent upon the Attorney General of this province to use all of his good offices in connection with the federal authorities and the municipal authorities to see to it that some legislation is enacted so that if this kind of a chemical, a weapon, is going to be imported into this country, it should be on the basis of a decision made by the federal government. If it is going to be used in this province it should be decided by this Legislature; and if it is going to be used in the municipality it should be decided by the elected body in the municipalities.

How far do we know this sort of thing will go? We cannot tell who is going to use it and when. That has been experienced now. No one can tell the police or the municipalities when they can take it off their shelf and use it. It has been demonstrated now that they are carrying it and they use it at their discretion.

Certainly we know that narcotics in this country, and in all countries, are under strict control. But thieves and addicts get them. In my opinion, Mace would be a splendid weapon for the common thug and robber to use in holdups across the country. He does not have to carry a gun, he can subdue his victim for seconds, he can get him unconscious so that he cannot remember or identify the robber, and he can fleece him within seconds and disappear.

These are just some of the things that can happen.

I cannot see, for the life of me, why this sort of thing can be allowed to be used in this country without it being the decision of a political body, whether it be the federal people, the provincial people or the municipal politicians. I think the Attorney General should give more consideration to this situation than has been shown in his answers to the House during the questioning period this afternoon.

I think that it has been made very clear that he is concerned about it, and he says that he cannot interfere with the police commission; fine, that is decided by legislation. But certainly there is nothing to stop the government from introducing legislation that will put this kind of a chemical weapon under control in this province.

Hon. Mr. Wishart: Mr. Chairman, I thought I had expressed a pretty serious measure of concern about this matter this afternoon. True, it was not discussed in these estimates before. The hon. member makes several points. He spoke first of the possibility of stopping the importation into this country of this chemical —one name of it is Mace—but my understanding is that it is now manufactured in this country. If it were imported it would be a matter of restraining or preventing importation and would be a matter of federal jurisdiction.

This matter gives me as much concern as it does him, I assure him. If it is a defensive chemical it comes under The Food and Drug Act, which is also federal legislation, and should be controlled, I think, across the whole country by the federal government.

I am not trying to shrug off responsibility. He mentioned that it should be decided, and these were the words and I took them down, he said: "The use of this should be decided by the municipality." This is the point I made this afternoon, that this is where the control presently lies, with—

Mr. Gisborn: It should emanate from this Legislature.

Hon. Mr. Wishart: Well perhaps it should. But the control—in the city of Hamilton, for instance, which the hon. member speaks of—the control lies with the municipal government of the city of Hamilton to say—

Mr. Gisborn: They have no control.

Hon. Mr. Wishart: Oh yes they have; they have the control. They can say their police commission do not use this; that is all they need to say.

Mr. Singer: The council—can say that to the police?

Mr. MacDonald: Why can you not say it here then?

Hon. Mr. Wishart: Well—just a moment!

The mayor sits on the police commission, the local county judge sits on the police commission; and one other person, now surely—

Mr. Singer: Are you suggesting that council can direct—the police commission?

Hon. Mr. Wishart: No. But I am suggesting that surely the municipal council, if it has taken any stand in this matter, and I am not aware that it has, can express its views to its police commission.

Mr. Singer: They should express more—

Hon. Mr. Wishart: Yes. But I am not sure that they have.

Mr. Singer: The council cannot direct the police commission.

Mr. MacDonald: What is the good of that? You are expressing too much and doing too little.

Hon. Mr. Wishart: If I were the mayor of the city of Hamilton, I would have something to say to my local police commission, which would probably have more effect than what I say here to the commission.

Mr. MacDonald: Well, what effect did your previous statement have?

Hon. Mr. Wishart: Well I point out that there certainly is a local concern which should be expressed, which I am not aware has been expressed by the municipal government of the city of Hamilton; or the city of London, where apparently this bug was used.

The other thing that the hon. member pointed out was that the thug, the robber, the criminal could use this to subdue his victim to commit his crime. Well if this is so does it not follow that perhaps, I am not expressing this as my own view, but perhaps should not the argument be put forward if this is available to the thief, the robber, the criminal, should not the police be armed with the same weapon in order to counteract the activity of the criminal?

Mr. MacDonald: What about the argument that you ban the sale of Mace—and get back to the root of the problem.

Hon. Mr. Wishart: Yes; it is all very well and I am sure—

Mr. MacDonald: You have the power to do that.

Hon. Mr. Wishart: Yes. I am sure, but let the hon. member be practical for a moment. You can pass the law which the police will observe, will observe and obey, that they must not use it, but does the criminal—

Mr. M. Shulman (High Park): He will not get it if you regulate the sale.

Hon. Mr. Wishart: Does the criminal obey the law and say—

Mr. Shulman: But do not make it easy for the criminal.

Mr. Gisborn: The criminal does not care.

Hon. Mr. Wishart: I am sure the hon. members are not so naive as to believe that if you ban the—

Hon. Mr. Grossman: No, they want the Marquis of Queensbury rules.

Give the criminal the same break as you give the police. It's sort of a game. It is supposed a battle on the side of the police not on the side of the criminal.

Interjections by hon. members.

Mr. Chairman: Order!

Do the members wish the Attorney General to provide his remarks or not?

Hon. Mr. Wishart: I am sure the hon. members are not so naive as to believe that because you make prohibition against the carrying of a pistol or a tommie gun or Mace that the criminal is going to obey that law. He will find it, he will have it, he will carry it.

Mr. MacDonald: Are you now justifying its use by the police?

Hon. Mr. Wishart: You do not say that by simply passing a law you make it unavailable to him, that I do not accept. I am not saying that is an argument I put forward as to why the police should have it, because I have expressed my view that they should not use it in any case until we have established beyond all doubt that it is not harmful in its effect on human beings.

Mr. R. F. Nixon (Leader of the Opposition): Hear, hear! And you should not let them use it.

Hon. Mr. Wishart: I do not have the power.

Interjections by hon. members.

Mr. Shulman: Bring in legislation!

Hon. Mr. Wishart: I do not control importation; I am not the administrator of The Food and Drugs Act.

Mr. J. Renwick (Riverdale): You can prevent the sale in the province of Ontario.

Hon. Mr. Wishart: Well, perhaps we could bring in an Act.

Interjections by hon. members.

Hon. Mr. Wishart: I think I have expressed my concern. My views are not so far away from those of the hon. member who spoke.

I do not want to appear amused about the matter, because I am not amused about the seriousness of this matter. I have expressed my views. I think perhaps we will find that they may have some effect. I certainly have the matter under consideration with the Ontario police commission and I think I will have to ask the hon. members to leave it at that point now and see how effective my efforts may be.

Mr. Chairman: The leader of the Opposition.

Mr. Nixon: Mr. Chairman, I think the Attorney General is quite right when he says the way he is applying his powers at the present time he is unable to stop its use.

I have three clippings here of recent date. The Toronto *Daily Star*, May 29: "Wishart Tells Police They May Be Sued If Chemicals Used"; May 28: "Township Police Ignore Wishart Mace Warning". Toronto *Telegram*, May 29: "Two Windsor Area Townships Plan To Use Mace In Riots". And of course the reports from London yesterday that it was used.

Mr. Chairman, I know you are aware of the fact that the first use of Mace in Canada was in the town of Preston where it was used to control a drunk, an individual. The police felt they did not want to hit him on the head with a stick, so they sprayed him in the face with the chemical.

Now the information associated with the growing sale of the chemical is very interesting indeed. It is being imported into Windsor, and I believe it is being manufactured in at least one other place.

The one clipping that comes from the Hamilton *Spectator*, and I think it was associated with the information that was given to us by the previous speaker, indicates that there are several correctional departments in Canada which have purchased a supply of Mace. I would think that we should be assured by the Minister of Correctional Services of the province that he is aware of the use in correctional matters, whether or not we have it available in our own correctional institutions, and just what steps he is taking in order to look into the use of it in other jurisdictions.

Some of the information from the Hamilton *Spectator* of June 1 is extremely interesting and it is parallel with what the hon. member for Hamilton East gave to us a few moments ago. It indicates that the United States surgeon general has issued a warning regarding its use and individual doctors have reported cases of severe after effects. This is precisely what the Attorney General said he was afraid of this afternoon, that there would be prolonged after effects and perhaps permanent injury.

Hon. Mr. Wishart: On May 23.

Mr. Nixon: Right. The United States public health services recommended that police departments make arrangements for washing persons hit by the disabling chemical agent.

We are told of specific damage and I quote from the report, causing irritation of the eyes, muceous membranes of the lungs, produces apathy, confusion, dizziness, liver damage and heart abnormality.

We are told of the use of the chemical in Preston in some detail, by the police officers who have used it, that it was equivalent to a blow. In their view it was more humane.

But the one interesting thing that was brought to my attention was this very bulky report of the national advisory commission on civil disorders from the United States of America, which reported on March 1. They deal fairly extensively with the use of a number of riot control measures. I agree completely that we do not have this problem here. I do not believe we need the use of these chemical crowd-control drugs.

I hope that we can keep them from being generally used in the province; and while I have agreed with the Attorney General so far in that he is right when he says that we do not know whether it will be permanently injurious, I could not disagree with him more when he says that he does not have the power to control its use in the province. Through the Ontario police commission, surely, he can by legislation if need be force the police departments to refrain from using it until it can be proved that it is not permanently injurious and that it does have a place in the sort of problems that the police in Ontario face, not the quelling of enormous riots but in the general duties that they have in the ordinary course of their responsibilities.

There is one section from this report that I would like to read. I would say to you, Mr. Chairman, that—I glanced through the report, I cannot say I have read it in detail—it forces it upon us how completely foreign the problems in the United States are to what we have experienced here—their tremendous riots, the loss of life, the loss of public property and the strife between races, something that we have great sympathy for; and my

colleague, the member for Sudbury expressed this very well, I believe.

But one section deals specifically with this problem. I quote from page 177 of the report:

> The experience of many police forces has demonstrated that the value and community acceptance of new non-lethal methods may be jeopardized if police officers employ them in an indiscriminate way. In some of the cities we studied reports of improper use of some chemical weapons by individual police officers have led to charges that these weapons are brutalizing and demeaning.

I would just add here that we all sense this. I mean you can understand a policeman in the course of his responsibility manhandling a person if need be. We hate to think about that, but we know it is necessary. But there is something brutal about the fact that an aerosol can is put into the face of the person and a chemical is sprayed on him that completely fells him.

Well, to go on:

> To assure public confidence and prevent misuse police administrators should issue clear guidelines on where and how police may employ such control measures.

I think the difference is that there is every likelihood we do not require these control measures in the province of Ontario. But I believe beyond that we must recognize the fact that individual police officers and municipal police forces may feel that they have to have this modern weapon against crime and against civil disorder. When they find themselves in the midst of the melee with a can of this stuff strapped to their belt, they are not going to think about the philosophy of the thing, they are going to pull it out and spray it right in the face of the person without the training and without the approach that is called for in this particular report, even though it was issued in connection with the problems in the United States.

The recommendation is that they should not be sprayed at individuals or any groups of individuals at distances less than 10 feet. It says that it can do permanent harm if it is sprayed at less distance than three feet. The details are here. But the police officers who are presently using these canisters of Mace have not had the training that is available.

The report from London—and you may, Mr. Chairman, have heard the police officer who used it, on the radio tonight—said he was so close to the person that some of it sprayed back in his own face. Well, the very fact that a police officer in a department that is under the jurisdiction of one of our larger municipalities, should have had the power and the facility to use Mace under those circumstances, I consider to be incredible.

The fact that a police officer in the little town of Preston sprayed it on a drunk because he was menacing in some way, seems to be a responsibility that the Attorney General is going to have to carry himself. It is not enough for him to exert moral persuasion by a statement in the House, or an answer to a question as it was in the case of the question by the hon. member for Grey-Bruce (Mr. Sargent).

I think really that it is necessary that definite direction be given by the Attorney General, and I am quite sure he could do this without legislation under these circumstances. Perhaps it is not reasonable to ban its use for the foreseeable future, but certainly it should be banned until we know its import and its dangers in the indiscriminate use by untrained police departments.

Mr. MacDonald: Mr. Chairman, I think it is well to remind ourselves at this point in the debate that we are discussing an estimate which is entitled "Public Safety". That is the relevance of it in the context of our debate at the moment—public safety. Now, let me say this, I acknowledge that the Attorney General has expressed, in pretty forceful terms, his apprehensions with regard to the consequences of the use of Mace. What puzzles me is, having expressed these apprehensions as far back as May 23, and reiterated them today, even in the face of evidence of their use, he is not willing to go one step further. A supremely ironical situation is developing. If the Minister is correct in his statement as to the possible dangers and therefore the reason why we should not use Mace, what the Minister has to do, is protect the people of the province of Ontario from the police. We have to be protected against actions of the police.

Mr. S. Apps (Kingston and the Islands): Sometimes the police need a little help.

Mr. MacDonald: They maybe do, but do not confuse the issue now—just leave this to the hon. member for Humber (Mr. Ben) and others—the member for Humber who is always wanting to protect the police against the insurrection of the motley crowd, so to speak. If the Minister is correct in his assertion that this is dangerous, and it should not

be used by the police, when we hear stories that in Preston a policeman has sprayed it in the face of a drunk, or we hear stories that the police in London are now using it on teenagers, or we hear the kind of stories as to the rather news-headline-seeking experimenting with it in Hamilton, surely this underlines the point that we have been trying to make—by interjection mostly up until now—that there is an obligation on the part of the Attorney General to move, not just contemplate, not just express his views, but to move and to act so that something will be done about it. And act at this level, so that you do not leave it to a lot of local authorities.

Now, I want to suggest there are two ways in which the Attorney General should move. One, I draw to his attention that, while he apparently had expressed his views, he ignored the information available in the public prints on June 25 following the meeting of the convention of the Ontario association of chiefs of police in Barrie, that one Ross Reid, a partner in a Preston, Ontario company, which is supplying Mace to many police forces in the province—it does not indicate whether they are supplying it from their manufacture in Preston or whether they are importing it from the company which holds the patents in the United States, but this is the source in Canada. Furthermore, Mr. Ross Reid told this meeting of the police chiefs that at least 35 police departments across Canada has bought it. Interestingly enough, when he was queried, Mr. Reid admitted that many of the police departments which now have Mace prefer not to talk about it, but he would not reveal which these were.

In other words, the Attorney General, having come to conclusions and reservations with regard to the use of this chemical, did not know, when he should have known, that it was being sold to, and being stocked, and was being used with increasing frequency by the police forces across the province of Ontario.

So what action should flow from it? I suggest two things. One, the Attorney General, until he has satisfied himself, should move to ban the sale of Mace to anybody, including police forces. And it should be backed up by a request for an inventory as to what stocks there are in the law enforcement agencies of the province of Ontario which, in the broad sense, come under his jurisdiction. I would go one step further—not only current stocks of Mace, but perhaps there should be an inventory report periodically, of all new weapons that might be used in law enforcement, so that the Attorney General does not discover himself, like any citizen, that some new and offensive or dangerous weapon is coming into use in the province of Ontario. I think these are practical steps that the Attorney General can take.

But my basic plea is, let us not talk and think and express views. On the basis of the Attorney General's own analysis, the time has long since passed for him to act, and I have suggested two ways in which he can act.

Hon. Mr. Wishart: Mr. Chairman, I find myself very much in agreement with the hon. leader of the Opposition in the views he expressed, and, to some extent, with the hon. member for York South. I am not by any means certain, that I could adopt the suggestion immediately that we should ban the sale of Mace.

I have expressed strong reservation against its use. I have expressed reasons why that should be so, because if there is no certainty that it is not injurious, then I think police forces should not use it, but I think there is a deeper and a greater reason why police forces should not use it and I hope we will be able to make that reason clear.

I do not believe that our police forces should be of the attitude, or constrained, to use force against our citizens in the situations in this country. I do not think they should be copying—which I think they are doing—the police forces in the metropolitan situations in the United States—and in situations which do not apply to this country. We used to have a pride in our police, where the red-coated mountie could go out, and by his force of character, and the fact that he wore a uniform; that he had behind him the majesty of the law—could quell a great crowd of people. I think we have to find a return to the situation where respect for the policeman, the respect which the public pay to him by reason of his office, or even of his uniform, by reason of his force of character—

Mr. Nixon: And not by reason of his weapons?

Hon. Mr. Wishart: And not by reason of either his billy, or his revolver, or his Mace, but that he exerts the force of the majesty of the law which he represents. I think the police made a mistake—and I hope this message will get across to them—they make a mistake when they think they have to carry by their side an aerosol canister to spray in the face of a drunk to subdue him.

I do not think that an individual, a policeman, needs that type of force; I do not think

he needs that type of weapon; I think he scarcely ever needs to use the ultimate weapon which he may have at his disposal and this weapon about which at this moment we are uncertain as to its very damaging effect, I think is a very bad thing to use. My concern is that it destroys the respect that the public may have for our police forces, because it will create in the public an enmity, an attitude, that the police are an enemy, that the policeman is exerting an extraordinary force which he should not need to use. That is my great concern really in this whole matter.

I would hope that the leaders of our police forces, the police commissions of our municipalities, the committees of council who govern police forces, would surely be able to exert upon their forces which they govern at the local level, a sentiment that just because somebody across the line in the country which we border puts forward the idea that we are up to date, that we are modern, that we have the latest weapon, we do not have to copy that situation. Surely we have grown up. If we have not, we should grow up to the extent where we can say we do not have that society and we have an attitude towards our law enforcement officers which is different, which is better, and our people have a different approach toward them.

This is where I think we make a great mistake; this is the thing that gives me so much concern. I am well prepared to accept, if I thought it would be effective, the prohibition by some quick measure of legislation. But if we cannot convince those who govern our police forces that this is not a good thing, that this a thing that carries effects which go far beyond the immediate local situation, then we have failed.

Surely, in this country, we have grown up to the extent where can say we have a different approach to the maintenance of law and order. Surely our police forces have the morale, training, the force of character to walk into a crowd, or to go on horseback, to go armed with some simple weapon, a billy if necessary—though I think that is seldom necessary—and say, "Let us maintain law and order here, this is not the way we conduct ourselves."

This is the thing that gives me concern, and I will undertake this to those gentlemen who have spoken, that we will consider the suggestions that have been put forward. But I would hope that through the Ontario police commission we could make the views which I feel so strongly, felt and observed by the local police authorities and I think they may be effective.

I will consider the suggestions that have been put forward, but I hope I will be able to succeed in the views I have expressed here without going to the extent of sudden legislation.

Mr. J. H. White (London South): It is nice to have the NDP on the side of law and order, it is a very nice change.

Mr. Nixon: Mr. Chairman, I wonder if the Attorney General—

Interjections by hon. members.

Mr. Chairman: Order please!

Mr. Nixon: —could tell us if any of these chemical control agents are available in our correctional institutions?

Interjections by hon. members.

Mr. Chairman: Order please.

Mr. Nixon: Are any of these chemical control agents available to the guards presently in our own correctional institutions? The article indicated that there had been extensive sale to correctional institutions—it did not say in Ontario—but in Canada.

Hon. Mr. Grossman: Mr. Chairman, to my knowledge this chemical is not in our institutions. As a matter of fact, at one time it was discussed and turned down.

Mr. Chairman: Centre of forensic services.

Mr. Singer: Emergency measures, Mr. Chairman.

Mr. Chairman, to my mind this vote is probably the most useless vote of money that we make.

Mr. Chairman: Are we not on forensic services?

Mr. Singer: No, emergency measures.

Mr. Martel: No forensic services.

Mr. Chairman: The member for High Park then, on forensic services.

Mr. Singer: All right, we will forget about it for now.

Mr. Shulman: Mr. Chairman, in contrast to what the member for Downsview has just said, this vote is one of the most important we may have and one of the most valuable.

Mr. Singer: Mr. Chairman, on a point of order, the member for High Park knows that

I was addressing my remarks to the emergency measures branch and let him not put words in my mouth the same as he tries to do to other members.

Mr. Chairman: Order please! Order!

Interjections by hon. members.

Mr. Chairman: Is the chair to understand that the member for High Park is speaking on the centre of forensic sciences?

Mr. MacDonald: Right!

Mr. Singer: He does not know?

Mr. Shulman: I confess it was a deliberate joke.

All right this is a more serious matter because I believe that the Attorney General in this particular area has erred on the other side from which he usually errs. In previous votes I have complained of the amount he has spent. In this vote I am complaining that he is not spending enough. I think he is using very bad judgment in connection with the centre of forensic sciences, and I wish to tell you that two years ago there was a fairly extensive research programme being done at the coroner's office in Toronto. It had come to our attention that certain deaths were occurring as a result of automobile accidents and that there was strong evidence to suggest they were due to the inhalation of carbon monoxide.

The head of the centre of forensic sciences, the late Dr. Ward Smith, a very gifted gentleman who unfortunately is no longer with us, was very interested in moving forward his department in every possible direction, particularly if it would assist in any of the fields in which he was involved and one of which was prevention of death. I approached Dr. Ward Smith at that time and told him that in the cases of automobile death where there was some question as to the cause of death, that I wanted to have a blood carbon monoxide measurement done. It had been routine to measure for alcohol.

I wanted to expand this and in any case of doubt to measure for carbon monoxide, because there was a very interesting study that had been done in another country which indicated that as cars become older they no longer handled their combustion as well as before, and carbon monoxide was leaking up through the bottom of cars, making people drowsy. This was possibly the reason for a lot of the crashes that were occurring. Dr. Ward Smith said that he would be delighted to do the work.

Unfortunately, he said, he was terribly short staffed and was having great difficulty in handling the routine work that was coming in and that his department was falling farther behind.

He said, "I have asked The Department of the Attorney General a number of times for more money, and staff, and I have been refused. I wonder if you would mind writing the Attorney General and asking him if he would give us greater facilities and more staff, because I think that this is an important piece of work, and I would like to do it and I would think that we would have a greater chance of getting it if the request came from an outside source."

Mr. Sopha: How long ago was that?

Mr. Shulman: Two years, or one and one, half.

So I wrote to the Attorney General and suggested to him that the forensic science centre was short of staff and money, and that their work was falling behind in the routine things that we had to do. I pointed out this new work, which I felt was very important, and I asked if he would give consideration to Dr. Smith's request for further staff and financing.

I got a letter back from the Attorney General in which he said that the work you wanted done was not necessary. It was only research, and I am paraphrasing as I do not have the letter here in front of me, but if we get it out I am sure that he will agree that this was the sense of what he wrote me and as such. It was not part of the duties of the centre of forensic sciences.

The letter is available if the Attorney General wishes it.

The amount of money which has been given to the centre for forensic science has gone up, I think, less than any other item in the whole Department of the Attorney General. When we compare it with some of the items which are just such frill and froth, such as the one that is about to follow, emergency measures, it is a great shame that we do not have a more forward-looking view in the department. It is a shame that this particular centre which, I must say, Dr. Smith created as a model which was looked upon as a model of what could be done in a very short time—it is a great shame that the support is not given by the Attorney General. Now that we have lost Dr. Smith I think that it is terribly important that the Attorney General be urged by us to give more attention to this

department and give them more money because they need more staff. They are still behind in their work and they are unable to do the tremendous research which that department could do. This is terribly important, in conjunction with the coroner's office. If they had been allowed to go ahead with this particular problem or project, it would have been completed six months ago, and it was of incalculable importance. It has not been done extensively anywhere else in the world.

I would like to suggest to the Attorney General that his attitude toward this particular department was and is the wrong one. I think that he has made a serious error in judgment and I would ask him to give further consideration to this matter.

Hon. Mr. Wishart: Mr. Chairman, I appreciate very much the remarks of the hon. member and I think that I agree with him. I would like to have more funds for the forensic centre, but I do not want to disparage what we have done. Our estimates show that our increase over last year's estimate—last year being $890,500—we are asking for $996,000 this year, which is an increase of 14 per cent, or $105,500.

Mr. Shulman: Is not that mostly increments?

Hon. Mr. Wishart: Yes, but 14 per cent is a substantial increase. The details which I have before me, and which I am sure and know that the hon. member has not got, is a basis for comparison from 1965, 1966, and through 1967. It shows that, in the pathology branch of the centre, the increase, 1967 over 1966, is 79.5 per cent. The biology increase is 36 per cent, that is 1967 over 1966, and of course, I have pointed out the increase for this year. Toxicology has an increase in 1967, over 1966, of 40 per cent.

We have done a great deal in the years past and perhaps not as much this year, with a 14 per cent increase, but in the organic chemistry area, over 1966, in 1967, was 17.5 per cent. The physical chemistry area increased in 1967, over 1966, by 19.5 per cent. The pharmaceutical chemistry section was 32.5 per cent in 1967 over 1966. This is an average over 1966 of 24.7 per cent in last year over the previous year and this year we have been able to obtain an increase of 14 per cent. Much of this, as the hon. member points out to me, is maintenance and increment, and so on.

We are very interested in the work of this centre of forensic sciences and we have been working very steadily, not just this year, but in the past two or three years to bring it forward. I am appreciative of the fact that the hon. member mentioned the work of the late Dr. Ward Smith, who did a great deal, and was a very noted and acknowledged leader in the field. But I think that we must say also that this province, in its facility that it gave him for the work allocated to him, made him as famous as he made the province of Ontario, in the centre of forensic science. I think that there is credit both ways in this matter.

Although I appreciate the interest of the hon. member, it is not necessary to urge me to have an interest in this matter, which is one that I feel has great merit. It is doing a great and very important work and I am very proud of it. It is one of my particular interests and if I could get the Provincial Treasurer (Mr. MacNaughton), within his means, to be more generous, I would do so and he would not be relieved of hearing from me as we present to him the needs of this centre of forensic sciences in our estimates.

Mr. Shulman: Mr. Chairman, it is always nice to hear the hon. Attorney General's sentiment, but it is just too bad that the actions do not match them. When I brought up his rise in expenditures of 60 per cent, 70 per cent, and 1,000 per cent in different matters, he explains, "Oh, most of this is increments." Then we have the grand rise of—

Interjection by an hon. member.

Mr. Shulman: Oh yes he did, look back in *Hansard*.

But when we have a rise of 14 per cent here, most of which is increments, the rise in the centre of forensic sciences, and I am not even taking new approaches—this has not yet caught up with the backlog which Dr. Smith was asking before he died.

I am sure that the Attorney General will agree with me that there should be somewhat more priority here than perhaps in some of the other matters which have been discussed here today. The centre for forensic science has a great deal to do with our life and health and a great deal to do with the control of crime in the province. It is far more important than all the Mace in the world.

To be niggardly about it, in the less than $1 million you are giving them this year—I am sorry to say it is niggardly in this field—is a very short-sighted view and one that 10 or 15 years from now we are going to regret

tremendously. I would like to suggest to the Attorney General that he be a little more vigorous with the Provincial Treasurer and a little more insistent, because this, to my mind, is an extremely important matter, and I trust that next year we will see some improvement in this vote.

Hon. Mr. Wishart: Mr. Chairman I almost feel that I could say that more members on the opposite side should express views of this nature, but I reserve a goody for the hon. member when I tell him that the Provincial Treasurer has been quite generous really.

Perhaps one reason that we have not got quite as much—one reason perhaps why we were constrained to accept a reasonable expansion, which I think that 14 per cent will allow—is that we are promised a new facility for the centre for forensic science. It will be a 12-storey building, which will cost somewhere in the neighbourhood of $10 million, to provide for the expansion of these facilities. This is on the way.

We have not forgotten the centre for forensic science. I think that the hon. member can look forward to, not only this new facility for it, but an expansion of its work and the service which it is rendering the province and I agree, largely, with his remarks.

Mr. Shulman: Mr. Chairman, in reference to the new building. Are the plans confirmed for this building?

Hon. Mr. Wishart: Yes. The building is to be erected on Grosvenor Street and plans are practically complete.

Mr. Shulman: Would the Attorney General inform me what the building is to contain? There are rumours it is to contain a liquor store. Is that correct?

Mr. Nixon: Got to pay for it some way.

Mr. Shulman: That is a serious question, Mr. Chairman.

Hon. Mr. Wishart: Yes, well, liquor is a serious question at any time. I am not completely aware who will be occupying certain portions of the building.

I think there is a possibility that the ground floor might be partially occupied by a facility to dispense alcoholic beverages.

Mr. Shulman: Could the Attorney General inform me what else will be in this 12-storey building? Specifically, will the Toronto coroner's office be enclosed in this building?

Hon. Mr. Wishart: The thinking is that perhaps three or four floors will be available for general office occupation and the rest of it will be the centre of forensic science.

Mr. Shulman: And the Toronto coroner's office—this will be included?

Hon. Mr. Wishart: Yes, and a morgue and all the things that this hon. member has wished for.

Mr. Shulman: Is it fair then to say that—Mr. Chairman, through you to the Attorney General—is it fair then to say that the Attorney General's sentiments, as expressed in this House last year, as to the taking over the Toronto morgue have changed since that time?

Mr. MacDonald: What did you say last year?

Hon. Mr. Wishart: I remember. I said there was an obligation on a municipality at that time, to provide certain facilities of its own in the way of morgue facilities. Now this is the centre of forensic sciences of the province of Ontario and the work that will be done here will be for the benefit of the whole of the province in the administration of justice as it falls within this department. I think the province has an obligation, which it is assuming and which it recognizes, to provide facilities for this centre of forensic science.

I would hope the city of Toronto, in its hospitals perhaps, or apart from them, as it sees fit, may provide some additional facilities to what other municipalities do in the way of morgues. This will not, I am sure, be adequate to serve the whole of Metropolitan Toronto.

I am advised that we are contemplating sufficient space so that we may provide a considerable facility to them, and that they will pay some rental for that facility which we will provide. That is proper because why should we give Toronto something we do not provide other municipalities?

Mr. Shulman: Mr. Chairman, I hope the Attorney General is wrong in one of the things he just said. He said that he thought the city would have extra space in hospitals or elsewhere. I hope he is not serious in that particular statement because we certainly do not want dead bodies being taken into hospitals, it would be a terrible health hazard.

Hon. Mr. Wishart: I only say this, that from my personal experience, if I may be

bold enough to recite it, when I served on a hospital board some years in my own city not too long ago—a recent addition to the hospital provided a facility where bodies could be examined and disposed of. It was not a morgue but it is a facility where there would be examinations made and then the body was disposed of and taken to a morgue—

Mr. Shulman: The Attorney General intrigues me. I must pursue this a little further, Mr. Chairman.

In this particular facility, in this particular city, in this particular hospital of which you were a senior member, did you allow bodies to be brought in from outside for post mortems? Or did you just look after your own, was that it?

Hon. Mr. Wishart: Right.

Mr. Shulman. Well that is, Mr. Chairman, a little different from what is required in a morgue, where bodies come from all sorts of interesting places and carrying all sorts of interesting germs. May I suggest to the Attorney General that if he is thinking that the city should supply facilities in hospitals, I certainly hope it is not for the purpose of—

Hon. Mr. Wishart: No, the hon. member misunderstands me. I do suggest to him, that I think he is aware that deaths which occur in hospitals may need an autopsy, an examination and the sort of thing that can be done most conveniently right in the hospital, and you should have a facility there to do that sort of thing.

Hon. S. J. Randall (Minister of Trade and Development): Never had a complaint from a morgue customer.

Mr. Chairman.: Anything further on the centre for forsenic science? Carried.

The emergency measures branch.

Mr. Singer: Mr. Chairman, exactly as the Minister of Health (Mr. Dymond) says, I am going to deliver the same speech as I have delivered for the last ten years. We have come now, Mr. Chairman, to probably the most useless vote in the whole of the estimates that are put before us by the government.

Only this time, Mr. Chairman, it seems to be three times as useless as it was last year, because there is three times as much money being asked for as there was last year. Yes, yes—I have last year's estimates here—you asked for $488,000 and this year you are asking for $1,623,000. Now that seems to be more than three times—

Mr. Martel: Blame it on Mace.

Mr. Singer: Yes. I would have thought, Mr. Chairman, that we would have begun, long before now, to phase this out and instead of that, the Attorney General seems to be asking for three times as many dollars as he asked for last year.

Now the role of the province in emergency measures completely escapes me. We have gone through all the nonsense of building shelters, providing signs—the last time we heard of the signs they were lodged in the basement of some police station—providing escape routes; everyone was going to escape to the county of Bruce from the municipality of Metropolitan Toronto. Nobody bothered to look at Highways 400 or 401 on a holiday weekend to see that we could not even get back in from the holiday weekend let alone escape in the event of a tragedy.

Mr. Nixon: Except for the Cabinet, they were—

Mr. Singer: The Cabinet yes, I suppose the Cabinet's little shelter up at Camp Borden was being looked after. Nobody could quite figure out how—while a bomb was dropping here we were going to let the Cabinet all escape up to Camp Borden and hide themselves in the cement underground vault that was built there, or whatever else you had there. We lesser beings, the Opposition never got around to seeing that. It must be quite a thing.

Well, Mr. Chairman, as Ottawa seems to be phasing itself out, all we seem to have for this expenditure that goes on year after year, are elaborate offices, pretty little pamphlets that are put out, apparently signs gathering dust in some basement, a cement fort I guess, hidden underground at Camp Borden, and plans. I suppose in some part of these buildings there are thousands of blueprints, perhaps the hon. Minister of Trade and Development could use them in his housing problem. There are lovely sets of plans for building shelters and the blueprints were well drawn, and supplied, at our expense, to the people who wanted to build shelters. Very few did, but the plans are there and I am sure the Minister, if he looks hard enough, can find in some back room, all these blueprints. Perhaps he can use them or turn them over and use the same paper to build some houses and draw blueprints on the other side.

Well, Mr. Chairman, what really is the justification for this vote? Last year I moved a motion and I am going to move it now, that this vote be reduced to the sum of $1 and I think the motion has three times more effect than it had last year because he is asking for more than three times as much money.

So, Mr. Chairman, with respect to the hon. member for York South who just wanted me to refer to the page reference of the speech I made last year, I will only say what I have said now, and I will now move that the item $1,623,000 in the emergency measures branch of vote 208 be reduced to $1.

Mr. White: To be consistent, could you make that $3.

Mr. Singer: No, 33 cents I was thinking, 33 cents.

Mr. Chairman: The Chairman will put the motion first and then it is debatable.

Mr. MacDonald: Also any other topic.

Mr. Chairman: The Chairman would like the member for York South to repeat that interjection. Did the member for York South mention something about—

Mr. MacDonald: I had another topic on this particular point in this amendment, and I presume I will have to deal with it before you have the vote on the amendment.

Mr. Chairman: The Chairman is simply going to put the motion to the committee, and then the motion itself pertaining to emergency measures branch will be debatable.

Mr. Singer moves that item regarding emergency measures branch of $1,623,000 be reduced to the sum of $1. Shall the motion carry?

The member for Wentworth.

Mr. I. Deans (Wentworth): Thank you, Mr. Chairman. Speaking to the amendment as proposed, I only say that I agree with it wholeheartedly.

I have no little experience in this matter, having been at the fire department and having taken part in some of what was termed to be the emergency measures activities. I can truthfully say that this is indeed $1,633,000 being wasted.

Interjections by hon. members.

Mr. Deans: If the Attorney General is looking for additional funds for forensic services, then perhaps this might have been the place to get it. He could have taken it right out of this vote and used it for something of much greater concern, and of much more value, to this community.

The emergency measures organization does not fulfil any useful purpose in this province. It is being run by people who are mostly out of date, out of touch, and is basically a haven for people who enjoy playing soldiers, firemen and policemen. I really suggest that this entire portion of the estimates be removed voluntarily rather than have us vote it out. It would show the Attorney General to be a man of foresight and ability if he would just take it upon himself to tear that part off the bottom of the page and forget it was even there, and then delegate the money over to the Minister of Trade and Development, to use for housing.

Hon. Mr. Randall: I have the plans, and now, the money.

Mr. Chairman: Any further debate on the motion?

Mr. MacDonald: Mr. Chairman, I have a haunting fear that when this motion is put, and the bell rings, and everybody from the Royal York gets up here, that the motion may be defeated. Therefore, I want to address my remarks to the unhappy prospects that the motion will be defeated and that we will have to live with this organization and try to make the expenditure of its money as useful as possible. My remarks are in that context.

I have in my hand, a copy of the letter which the Attorney General may have seen. I think in the first instance it was addressed to the local press. It is from Michael J. McDonald, no relative of mine, though he happens to be a constituent of mine from Weston. Following the snow storm last winter you will recall the emergency condition with which we were faced on most of the main arteries in the city of Toronto. He suggested that we should plan more effectively for such storms in the future.

Let me quote a couple of paragraphs from this letter. Having spelled out the kind of thing that happened in terms of traffic tie-ups and people not being able to get through, either on normal routine business or emergency business, he then proceeds:

> This problem is not insoluble. I submit that what is required is some form of an Emergency Measures Act. Some of the features of this proposed Act would be a central authority for each area—that is Metro Toronto—to co-ordinate within its

boundaries all efforts to solve the problems created by an emergency such as storms, floods, etc. This central authority would also be responsible for making maximum use of radio and television for purposes of public information bulletins.

Another main feature of this Act would be a prohibition against the use of any major arterial road within the emergency area by other than emergency motorists, public transportation vehicles and other authorized traffic so long as the emergency remains. To make such a provision acceptable, it would have to be coupled with other emergency measures such as (a) the creation of emergency parking lots adjacent to major roads and railways—these could be created by using publicly-owned property such as school yards; (b) ensuring that the public transportation authority has all its motor vehicles in use; (c) hiring special trains in these areas served by trains; (d) closing of schools and use of school buses for public transportation.

Then Mr. McDonald—my constituent—adds:

I am quite confident that our governmental authorities could improve, and add to the above mentioned proposals if they chose to deal with the problem. This compounded problem will not solve itself. It will not be solved by polite requests to leave cars at home, it will only be solved by proper legislation encompassing, I suggest, some of the above mentioned proposals.

If a storm affects this area in the way exhibited in the past few days I hate to think what would happen if something really serious happened.

Now, Mr. Chairman, I suggest that there is in that letter some proposals that would be worthy of consideration by those who have the direction of EMO, if it is going to continue to be with us.

Indeed, I was rather intrigued that when that storm did hit last year in the city of London where its impact was sufficiently strong, so the newspapers informed us, that the Prime Minister was blacked out at home for a day or so, they did bring the emergency measures organization in to cope with some of the problems faced in the community.

In short, the idea is not without some experimental use—already in the London area, but I would ask the Attorney General when he replies whether or not this is not a more useful area for expending the moneys that might conceivably be voted if the House makes the mistake of turning down the amendment that is now before us.

Mr. Young: Mr. Chairman, I wonder if I might ask the Minister through you, what the municipal projects are which constitute the $1.1 million here. I presume this is an expansion of the fire fighting services and the radio and telephone communications system and all this sort of thing which started some years ago. I wonder if the Minister would answer that first before I proceed.

Hon. Mr. Wishart: Mr. Chairman, perhaps I should first of all point out that in the estimates as they appear, under the emergency measures branch, there is the figure of $1,623,000, that is broken down into the five items as shown there; salaries, travelling expenses, maintenance, public information, courses, and so on, and municipal projects. I think the hon. member who has just spoken asked the question in relation to the $1,136,500 municipal projects.

What I want to make clear is that that figure of $1,623,000 is the total item for the emergency measures branch, including the federal contribution.

Mr. Young: I understand the federal contribution—

Hon. Mr. Wishart: I am going to give you that—including the federal contribution. Now the—

Mr. Singer: Why do you not change your system?

Hon. Mr. Wishart: Well, do not ask me, I did not change it.

Mr. Singer: A most peculiar way of presenting these estimates.

Hon. Mr. Wishart: It was some other department which decided to set it up in this way and I do not question their wisdom. I find it a little difficult to follow myself. But it is what is known as gross budgeting, I am told.

Mr. Singer: Last year it was net.

Mr. Nixon: This now includes the federal money.

Hon. Mr. Wishart: The federal money is in here too.

Mr. Singer: It does not appear anywhere here.

Hon. Mr. Wishart: The total is $1,623,000, of that the federal portion is $1,217,000. So that the amount of the Ontario contribution is $406,000.

May I just point out that last year the federal contribution was $2,397,500, at the least the total was $2,397,500. The federal contribution was $1,909,500 and Ontario's contribution was $488,000 as against $406,000 this year. So our estimate is down by $82,000 or some per cent which I am not immediately able to figure out by mental arithmetic.

Mr. Singer: It would be very helpful if you could give us the present figures.

Hon. Mr. Wishart: Well, I say I found this somewhat strange myself, but this is gross budgeting. Our contribution, the contribution of Ontario, is $406,000, not $1,623,000.

Now, to answer the hon. member about the municipal project, I am not sure whether the question was, what was our portion of that?

Mr. Young: What are the municipal projects, Mr. Chairman, through you to the Minister, what do these consist of?

Hon. Mr. Wishart: They are, generally, organizations set up for emergency measure projects, or emergency measures to meet disaster situations—fires, floods, hospital fires—and always in the background the situation which might arise from a fallout or atomic disaster or something of that nature. I have said this before—

Mr. Young: Is this equipment?

Hon. Mr. Wishart: Like the hon. member for Downsview, I have to make the same speech largely that I have made on previous occasions.

Mr. Nixon: The Attorney General has made better ones before.

Mr. Singer: If you are going to hang it on atomic disaster—

Hon. Mr. Wishart: No, I am not going to hang it on atomic disaster and I never have. All I have said and all I am able to say is this: We are asked by the senior government of this country, which contributes the great portion of the funds necessary to this emergency measures plan, we are asked to co-operate, to assist in having our municipalities organized, to keep the organization going, to carry on exercises, to train people, to at least keep a hard core of people available in the event of disaster—

Mr. MacDonald: It is the softest core in the country.

Hon. Mr. Wishart: This is a request from our federal government which we have accepted and we have agreed to co-operate with. That is our attitude, that is the way we have gone along with it. I think hon. members are perhaps aware, but they may not be, that the federal government this year has substantially decreased across the whole of Canada its activity and its expenditure in the emergency measures organization.

One of the features which I thought was most valuable really in emergency measures was the assistance in firefighting, where the federal government contributed very substantial amounts of the cost of firefighting equipment and pumpers. They have abandoned that practically entirely, and consequently we are not making a grant to that project, which I thought was one of the features of the organization.

Perhaps I could answer the question by reading some of the activities, and I will not take a great deal of the time of the House:

> The emergency measures organization was involved in several incidents during the year, notably in the large forest fires in northern Ontario, which resulted in the sudden evacuation of Chapleau and Sioux Lookout. The excellent emergency plans which have been drawn up by the emergency measures organization at Timmins, Sudbury and Dryden were put into action, and as a result hundreds of people were taken care of and provided with shelter and food.
>
> This was one of the outstanding examples of the benefits of planning in advance for emergencies, and reflects great credit on the respective communities concerned.
>
> A tornado, which swept through Perth county, which fortunately destroyed only barns and did not strike populated centres was a scene of coordinated activity by the Perth county emergency measures organigation in organizing salvage and cleaning-up operations.
>
> When fire struck in Brockville, the local emergency measures organization swung into action to assist the first department and arranged for a series of floodlights from their rescue kit to assist in firefighting operations.
>
> Emergency planning paid off in Kingston, Ontario, when fire struck the local Hotel Dieu hospital. Patients had to be evacuated to other hospitals.

There is also mention that during the year some nine hospital disaster exercises were planned, ranging from a relatively small-scale test to full-scale test of hospital disaster plans. These exercises involve extensive community support which was organized by the local emergency measures organization.

The largest annual training exercise ever held in Ontario took place at Camp Borden in September where rescue and first-aid units from all over the province attended in a realistic night exercise on a site provided by the Canadian forces base, Borden. Over 500 volunteers participated in a simulated rescue of people injured in a disaster area created to approximate the results of a tornado-struck town.

The results of this exercise were considered to be most realistic and worthwhile, and provided a great demonstration of the enthusiasm of a hard core of volunteers throughout the province.

Those are a few examples of some of the activities carried on by the organization. But I can only say, Mr. Chairman, that our approach to this matter is one of accepting the request by the senior government of Canada to participate in preparing and training our people as best we can in peacetime conditions, to be prepared to meet disasters of various kinds. I do not believe that the amount which we contribute, $406,000, when the federal government is contributing $1,217,000, is an unusual request for the federal government to make. Perhaps I should not sit down without saying I, of course, oppose the motion.

Mr. Young: Mr. Chairman, I think what the Minister has said has underlined the problem we face here tonight, and perhaps the hon. member for Downsview should be talking to his friends at Ottawa over these next 12 months, and a year from now we shall see what success he has had.

Mr. Singer: At least I have some friends up there to talk to, which is more than you can say.

Mr. Young: Well, we have a few, and we shall see what success he may have had a year from now. But the thing that disturbs me, Mr. Chairman, about what the Minister has said, is that a few years ago I understand we were getting some firefighting equipment, we were getting various pieces of equipment for various municipalities across this province. Evidently that has now ceased and the money is now going into exercises, into salaries I suppose, and we're frittering it away in these kind of activities which really amount to little or nothing.

In the long run it is the firefighting and the police forces coordinated which have to meet the disaster. And very often the word I get from some of my friends is that the EMO is simply a fifth wheel and clutters up the situation. This may not be true in every case, but certainly it is in some instances. So it seems to me that this kind of money, if we are going to spend it, should be diverted to make more efficient our police and our firefighting equipment, and coordinate these to handle the emergencies that arise, since they have to handle them anyway.

So I would hope before any year has come around that our friends would be able to talk to their friends at Ottawa, and that we would see an end to this farce from that point of view. Then the Minister could stand up in this House and say we are no longer requested by the central government to spend this supplement here in Ontario, to supplement a useless grant from the central treasury.

Mr. MacDonald: Mr. Chairman, before we vote, I wonder if I could solicit from the Attorney General a comment on the observations of my namesake, in the letter I read, with regard to the use of EMO for coping with such emergencies as storms in the metropolitan areas?

Hon. Mr. Wishart: They have done this on a number of occasions that I am aware of. I must confess—I hesitate to confess it—but I did not get all the content of that letter because I was trying to assess these figures and get my own thoughts in order on this motion.

Mr. Nixon: Let us have that again.

Hon. Mr. Wishart: Do not read it again.

Mr. MacDonald: Well, I will send the Minister a copy of it. I have a suspicion—as a matter of fact, I think the hon. Minister has a copy in his files.

Mr. Nixon: I am sure he carries that around in his pocket.

Mr. MacDonald: Well, Premier Robarts has a copy, and the hon. Robert Nixon, whoever that is, has a copy.

Hon. Mr. Wishart: Send me a copy.

Mr. MacDonald: All right, I will send the Attorney General a copy, but I say in conclusion, without repetition, that I noted that London has done it. The main point of his complaint was that it is not being done in the metropolitan area of Toronto. If we are going to have this more or less useless agency, let us make it available for emergencies such as we had in the instance of the heavy snowstorm.

Hon. Mr. Wishart: I am aware that in Metro Toronto they have one of the very best, most efficient, active emergency measures services in various areas of emergency that there is anywhere, and very capable people in charge of it.

Mr. Chairman: The member for High Park.

Mr. Shulman: Mr. Chairman, in rising to support this amendment, I would like to point one aspect of emergency measures which perhaps—

Hon. Mr. Randall: Is there an amendment?

Mr. Shulman: The motion—I would like to point out one aspect of the EMO which perhaps some members of the House are not aware of. In their wisdom the emergency measures organization has created a list of 2,000 essential citizens who are to be saved in case of disaster, and I was—

Mr. Nixon: Do not tell me that your name is on that list.

Mr. Shulman: I must confess, Mr. Chairman, that I was a little upset to find that I am number 2,000. However, I was much less upset, Mr. Chairman, when I found that all the Conservative backbenchers did not make it. They have been left off entirely, and I am sorry to say that—

Mr. Nixon: Have they got a place in the bunker?

Mr. Shulman: Along with this very interesting list, Mr. Chairman, one is issued a very special wonderful document with your picture on it, and instruction on how to leave the city when disaster strikes. I may point out, Mr. Chairman, it is also good for entering the Ex, in case you do not get any other use out of it.

Now, Mr. Chairman, the question which I have for the Attorney General, I know two of the people on the list. He and I are wondering who the other 1,998 essential people are. Perhaps he could inform the House.

Hon. Mr. Wishart: Mr. Chairman, I am not sure I have one of those blue cards myself. I could not know who the others are.

Mr. Chairman: The member for Niagara Falls.

Mr. G. Bukator (Niagara Falls): Mr. Chairman, I am very much amazed at so many intelligent, prominent men in this province taking the time of this House to make so light of such an important body of people.

Interjections by hon. members.

Mr. Bukator: Originally—

Mr. White: Looks like another Liberal rebellion from here.

Mr. Chairman: Order, please.

Mr. Bukator: Originally, it was the civil defence. It seemed like a very serious thing at that time. They put up many tents in many areas and wasted a lot of time and a few of the taxpayers' dollars hoping that in some way, with the many groups and the county councils, they would assist their fellow man, if there was a disaster. We are fortunate that nothing like that happened.

Now for a group of people to get together and to assist each other in trying to help one another if that had to happen, I think is a good cause. I have spent many hours and many weeks co-ordinating groups of people in the county of Welland, to try to bring about the necessary assistance that people needed.

As the Attorney General said in some of the instances throughout this whole province little groups of people have assisted when help was needed—the unsung heroes of this province.

I could not sit here and listen lightly to this type of picking on the public who have tried so hard to assist and this is their reward in this day.

Hon. W. G. Davis (Minister of Education): Why speak to us? Look at your friends.

Mr. Bukator: I say to you, and I am glad that that figure came out. Have fun, enjoy yourselves—it is later than you think.

Interjections by hon. members.

Mr. Chairman: Order, order!

Mr. Bukator: This particular group of men in the Cabinet who have their shelters set aside for them in Amprior might be a good

place to have them if this disaster does come about and the doctor himself should live. He might have an opportunity to perform an autopsy on them and see what made them tick all these years.

I do not take this lightly. I think it is serious. The federal government apparently is contributing $1,200,000. The province is spending a very little amount of money.

There are many men who have many plans and you cannot tell, there may be a chance yet, that their services will be needed. But I say to you, Mr. Chairman, and through you to this particular government, that they were the ones who have taken it very lightly, and delegations have come to you on many occasions asking you for assistance, and you have done absolutely nothing for them.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Oh, ridiculous.

Mr. Bukator: You, my friend, are ridiculous. I have attended the Attorney General myself with groups of people, some asking for his assistance, and to this day they have not got what they requested, and the money was there.

I say the Conservative government is just as responsible as anybody is. I am going to support this amendment, simply because you have not been doing your job. It is as simple as that.

Interjections by hon. members.

Mr. Chairman: Order. Order. The Minister of Correctional Institutions.

Hon. Mr. Grossman: The hon. member for Niagara Falls started out to say just what I was going to get up to say, and I was going to support him wholeheartedly when he started out. Because I got up on my feet before this Legislature on these estimates at another time and spoke in the same fashion.

Of course EMO is not being as effective as it should be because they have been going through this ridiculing almost every year that I can recall in this Legislature.

I am surprised the hon. member for Niagara Falls finished up by saying he is going to vote for the amendment. I mean, to be consistant, he should continue to do his best to encourage these people. If they need more financial assistance, that is another matter, and that is what should be debated. Not just laughing about it.

The hon. member for High Park may feel that it is useless because his name is on the list. I do not know. Maybe that is his reason. I would think they had a good reason for putting his name on the list because of the position he held before.

Now there are a lot of good citizens in this province, as the hon. member for Niagara Falls has stated, who have volunteered for this work. They have spent long hours taking training and whether you think they are being as effective as they might be, I think really is beside the point.

We spend reams and reams of publicity and propaganda and newspaper headlines on the restructive forces of our community, but the minute you get some group which is attempting to do something positive, we start to ridicule them. I think that is ridiculous. We should give them all the encouragement in the world.

If the hon. member opposite and the other hon. members feel that EMO are not being given the financial support they believe they should get, rather than cutting them off completely as this amendment apparently does they should have a resolution asking the government to give consideration to more support, because there are many of us who feel they should be encouraged and given much greater support than they are getting.

But it is very difficult to get the support unless you have the public behind you, and it is difficult to get the public behind you when people in places like this are poking fun at them—these great citizens who are trying to do a good job.

Mr. Chairman: The member for Cochrane South.

Mr. W. Ferrier (Cochrane South): Mr. Chairman, I suppose the people of Timmins are a little more avant garde than they are in some other places of the province, but I do have to rise to pay tribute to the emergency measures organization of our community, because last summer when there was a forest fire around the Chapleau area and it was necessary to evacuate that community, a great many of the residents did come to the Timmins area.

And that organization did a tremendous job in seeing that these people were sent to various homes and their needs were looked after and they were properly cared for, and I cannot feel that the organization is completely useless after the kind of job it did in our area in looking after the citizens of Chapleau.

It might be that we are just so far ahead of the province that it will take it a long time to catch up but anyway, they did a

worthwhile job and I think that they are to be commended.

Mr. Chairman: The motion by the member for Downsview is that the item re: emergency measures organization of $1,623,000 be reduced to $1.

All those in favour will please say "aye".

Those opposed will please say "nay."

In my opinion the "nays" have it. Call in the members.

All those in favour of the motion please rise. All those opposed please rise.

Clerk of the House: Mr. Chairman the "ayes" are 29, and the "nays" 48.

Emergency measures branch agreed to.

The office of the fire marshal, vote 208.

Mr. B. Newman (Windsor-Walkerville): May I ask the Attorney General if he is giving any consideration to the resolution recently passed by the city of Niagara Falls originally, and adopted by other municipalities, requesting that provincial regulations ban the sale and setting off of fireworks in the province of Ontario except for supervised displays?

Hon. Mr. Wishart: Mr. Chairman, this request has been made to us on at least two occasions that I recall by different delegations and I think that it has been presented to the Cabinet by some of them.

We have felt that the authority in this situation rests with the local municipal council and so far the government has not adopted a policy of passing general legislation to try to deal with the situation across the province.

Mr. Bukator: In view of the fact that the Attorney General said they did not agree to pass general legislation this is where the trouble comes into the picture. It is very easy to go to a place like Crystal Beach and that village passed a bylaw against fireworks in that village because of the fact that most of the small buildings are of wood construction.

The township next to them just beyond the boundary last week set up their stands and sold firecrackers to the people in the township, who in turn took them into the little village and set them off, and that is why we ought to have general legislation. That is why the city of Niagara Falls asked for the same thing, they have the same problem.

Supervision is good when conducted by experts who know the business. There is an editorial in the Niagara Falls paper which actually asked for my support in this House. They did not have to come this far, because I believe general legislation is the answer to the problem. I think that they should be let off in a supervised manner such as at the exhibition. Nobody is hurt then, because the experts know what they are doing.

But the way it is today, it is not doing the job at all, because the municipalities that want to keep it out cannot do so simply because they are sold in neighbouring villages or towns.

This has happened throughout the province, I think you will find, and I suggest that the Attorney General take a good look at this. I think that provincial legislation in a general way from the Attorney General of the province is the answer to it. You can put the road blocks in where necessary and then keep them for three or four days in the year when they want to set off fireworks. The rest of the time it is youngsters who get the firecrackers and do not know what to do when fires come into the picture. This is where damage is done. People are hurt, or maimed, and we sit here doing absolutely nothing about it.

I want the record to show that at least some, I hope many more, will speak on this to persuade the government to legislate against this. Some of us are not content to sit back and ignore this dangerous situation.

Hon. Mr. Rowntree: You mean to confine the damage to three days of the year?

Mr. Bukator: Well, much better three, than 365, even you can calculate that well. The percentage is not that great, Mr. Attorney General. Through you to that hon. Minister whose name I can hardly remember because he hardly ever speaks in the House, we do not know that he is here; from time to time he does make an appearance and once in a while he interjects, but makes no sense. This is another one of those interjections. Well, Father Time will take care of him. I have lots of time and it seems that at this time of night, I usually come to life, and I am willing to stay until three or four o'clock if you like—

An hon. member: Oh, oh!

Mr. Sopha: Well, you have lost me!

Mr. Bukator: Mr. Chairman, we are not getting through the estimates as quickly as

we ought to, and I am contributing to that particular thing at the moment myself—

Hon. M. B. Dymond (Minister of Health): I should have taken your pulse when you asked me to.

Mr. Bukator: But getting back to the legislation—

Mr. MacDonald: That would be divulging confidential information.

Mr. Bukator: I would like to read into the record some of the comments and I think that they are good, and since there are only two or three pages it will not take long. The Hamilton *Spectator* has voiced unqualified support to the Niagara Falls resolution asking for the province to ban fireworks and says that Hamilton should be among the first of Ontario's municipalities to unequivocally endorse the Niagara Falls petition.

The *Evening Review* gave similar support to the resolution when it was introduced several weeks ago, "Because we believe that the dismal accident record substantiates the need for fireworks prohibition."

Here is what the Hamilton *Spectator* had to say:

> Each year, the city suffers a week of wanton lawlessness and vandalism. Firecrackers themselves are not to blame for the senseless noise, damage, danger. People, thousands of them, are responsible for the annual agony.
>
> Hamilton has a fireworks control bylaw, but it is openly flouted. Merchants sell fireworks to children contrary to the law. Children and adults explode fireworks in the street and parks contrary to the law. Firecrackers are thrown at people and buildings, contrary to the law.
>
> Large numbers of people have loudly demonstrated that they are not qualified to handle firecrackers and that the city fireworks control bylaw is worthless.

I need not read any more to you. It is about time that we had legislation from the provincial level.

Mr. Chairman: The leader of the Opposition.

Mr. Nixon: I would just like to say a word on what the hon. member for Niagara Falls has been discussing. It has been very difficult for me to see why, when we approach May 24 celebration, and I am never sure just what we are celebrating then, but that is the time that we can get the fireworks under the municipal bylaw. But when we come to the first of July, when we maybe should be concerning ourselves about celebrating something, most of the bylaws prohibit the sales at that time. If the Attorney General is going to move to control this sort of thing and leave the period of time when the fireworks can be sold in order to celebrate some national day, I would suggest that the period of devastation be brought around to July 1 when we are celebrating our Confederation day and would be more significant than the holiday of convenience in May.

I think it is time we moved towards the participation of our young people and many others in recognition of July 1 as a day of importance for our nation, and a gradual change of the celebration earlier in the season.

I do not know whether the Attorney General is considering such legislation, but I feel quite strongly about that and I hape he would consider that aspect at the same time.

Mr. Chairman: The member for Wentworth.

Mr. Deans: Mr. Chairman, I would like to direct a question to the Attorney General. Did he receive representation from the fire chiefs' association with regard to banning the sale of fireworks to the general public?

Hon. Mr. Wishart: I do not believe we did this year. I have no recollection of it.

Mr. Deans: You have in the past received such a request.

Hon. Mr. Wishart: I believe I did a year ago, or something more perhaps than a year ago. It was not entirely, I think, a unanimous approach. They were representing certain municipalities, as I recall. I did not receive any this year.

Mr. Deans: I would just say in regard to that I do believe that the sale of fireworks to the general public should be banned at this time. I think that some form of a permit system that would allow groups of adults who intend to put on a fireworks display at any particular given time that would allow them to purchase those for a particular purpose, strictly supervised, would be a suitable way.

But I had many experiences, in my former capacity, taking part in fireworks displays. When they are available to sell to the general public, what generally happens is this. The fireworks display itself is well supervised. It is held well out of reach, and generally speaking in such a fashion that it will not be

injurious to anyone or to any buildings, but children have these fireworks and are able to run around in the crowds of people and throw them around.

I saw on two occasions small children badly burned in baby carriages. I have seen, numerous times, where children have come close to losing eyes because of stupidity, and I cannot see any purpose in allowing this to continue. It serves no useful purpose. I am not denying the children the opportunity to view fireworks, but I think that it should be done under strict supervision and they should be sold under municipal permit and that this Legislative Assembly should pass legislation making that law.

Mr. Chairman: Office of the fire marshal. The member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman, the use of the fire marshal's report for the end the calendar year of 1967—a good deal of information which can be quite summarily given to the House indicating the incidence of fire, the impact of it in loss of life, and the causes of it and how it can be dealt with, and what is actually being done. If I just may refer to page 3 of this report, it says:

> Continuing the fire incidence reduction from 1965 to 1966, the number of fires went down; the number of fires which occurred in Ontario dropped even more in 1967. Following a decrease in 1966, the total fire loss has taken a substantial rise, however—

I do not think it is because of inflated land values necessarily:

> —of to $11 million, or slightly more than 24 per cent. The number of fire fatalities was the same as in 1967 as it had been in 1966. Careless smoking was again found to be the most frequent cause of fire, with 6,200 outbreaks recorded—down 699 from the previous year. Its fire loss was just over $2 million. The improper use of electricity, with half the number of incidents, had a fire loss nearly twice that of careless use of cigarettes, cigars and pipes.

He goes on to say:

> The cost of incendiary fires this year was up half a million dollars to the amount of $2.6 million, the third most costly cause of fires in this province.

Touching just briefly on the incendiary situation in the province, there is a very high rate of detection and conviction, nevertheless, and it would seem that the arsonists in our midst seem to be rooted out quite well. At page 12 they say there were 768 fire investigations conducted—that is where there was a suspicion of arson, of which there were 109 fires in which 161 people died; 52 large fires and explosions.

There were 607 fires where there was a suspicion of an offence having been committed, of which one half—about 301—were found to be of an incendiary origin. As a result, 287 criminal charges were laid and here was an amazing figure of which 235, of the 287, registered convictions. There were 17 acquittals and there were a number of cases awaiting trial at the end of the year.

I think these are facts of value to get before the public and into *Hansard*, out of this particular report.

I do not think enough can be said with respect to the business of careless smoking. My remarks on that particular head is that I wonder whether criminal proceedings are sometimes commenced against individuals who, through that particular kind of negligence, do cause damage to property and to the lives of others on a considerable scale. And, with that in mind, as to just what proceedings are envisaged. I get the impression that by and large this is accepted as a risk that we all have to undergo in the province and it may be just as well to turn the criminal wheels a bit in order to foreclose that possibility which, after all, costs many millions of dollars each year.

Hon. Mr. Wishart: I should like to make a brief comment, Mr. Chairman, and it will be brief.

I think the hon. member has pointed out some very salient facts in the report. I would like to just comment that, on the fire investigation matter, where 301 fires were found to be of incendiary origin and 287 criminal charges laid, and the securing of 235 convictions, with 59 still pending, is a pretty good report.

Briefly, on the matter of careless smoking, I think I have to say that careless smoking itself is not necessarily, in fact is not, a criminal offence. It does not enter into the criminal area. Perhaps it should but it does not.

Mr. Chairman: Anything more under the fire marshal's office?

Mr. B. Newman: Mr. Chairman, I wanted to ask the Minister if he is considering passing legislation or regulations that would permit members of the fire department to issue

tickets to individuals who contravene minor fire safety regulations.

We have an annual fire inspection in practically every community across the province. The fire inspector may come into a home and find certain safety regulations that are being violated. He simply warns the resident to have that cleaned up within a certain period of time, but he has no authority to take the individual to a court of law and penalize him for infractions of fire safety regulations.

Hon. Mr. Wishart: No, Mr. Chairman, our approach to that is that this is not a punitive approach or attitude. It is an educational approach to warn and educate people and encourage them to improve their situations and not to run the risk of leaving situations which are likely to cause fire hazards. We have not, at this point at least, and I think we would not, make this a matter of issuing a summons in that situation.

Mr. B. Newman: Mr. Minister, have you not been asked by the fire chiefs' association to institute such a procedure?

Hon. Mr. Wishart: No, I do not believe I have. I think perhaps this has been a matter we have discussed. Suggestions may have been put forward that this might be an approach, but I do not think I would accept that approach. It has not been urged upon me.

Mr. B. Newman: If education fails, what is the answer, Mr. Chairman? There is no answer then?

May I ask the Minister if he was considering legislation forbidding the sale of certain types of garments that would flash—inflammable garments and inflammable toys?

Hon. Mr. Wishart: The fire marshal's office has done research on various articles of clothing, toys, dolls and that sort of thing. What we do is go to the manufacturer and persuade him that those things must come off the market and are not to be sold. We have not passed legislation. Once it is shown that there is a danger there is no difficulty, I think, in closing that out of the market.

Mr. B. Newman: How about imports, Mr. Chairman?

Hon. Mr. Wishart: The province does not control imports.

Mr. B. Newman: You see, you have not solved the problem if the articles are allowed to be imported into the country.

Hon. Mr. Wishart: We go to the merchandiser and say, "Do not put this article on the market."

Mr. MacDonald: That is the way you go to the merchandiser who handles Mace, yes.

Hon. Mr. Wishart: Mace, I thought you would say that.

Mr. MacDonald: Yes. Mr. Chairman, I have another matter in this vote that may take a few moments. Is the House leader anticipating going home rather shortly?

Hon. Mr. Rowntree: I take it your remarks will only take a couple of minutes and—

Mr. MacDonald: No, it will take more than a couple of minutes, that is the point.

Hon. Mr. Rowntree: Four or five?

Mr. MacDonald: Four or five.

Hon. Mr. Rowntree: That would be fine.

Mr. MacDonald: You insist on breaking a gentlemen's agreement—okay.

Hon. Mr. Rowntree: Oh no!

Mr. MacDonald: You force me to come to only one conclusion.

Mr. Chairman, since it is being thrust upon me I shall proceed.

I wanted to raise a matter that has become a topic of prolonged discussion and negotiation between local 9-14 of the oil, chemical and atomic workers international union in Sarnia and the city council. The issue has arisen because during the past year some of the corporations in that area—particularly, I believe, Polymer—had decided that members of their bargaining unit, workers who normally were full-time firefighters within the plant, have now been relieved of those duties. They have switched the firefighting responsibilities to shift workers who are trained for the purpose. So when the emergency arises, they will then presumably drop their normal work and do the firefighting.

The net effect, as argued by the union, is that a greater load in firefighting has been dropped on the local municipal firefighting force and therefore, the local municipal taxpayers.

Now, in the context of that, there are two or three points that I wanted to bring to the Minister's attention. For example, in the brief that was originally presented by the union to the city council—

Hon. Mr. Wishart: Where is this?

Mr. MacDonald: Sarnia.

And I need not remind the Minister that Sarnia is, I think, a place where fire hazard is above the average because of the nature of the industry.

It is pointed out in their brief, for example, that modern industrial operations in the interest of efficiency have a bare minimum of saff covering these process jobs, the regular jobs within the industry. In the event of an emergency call these process people have to leave their posts unattended, thereby creating further hazards.

To cite one example: In one area where there have been approximately 10,000 horsepower of compressor equipment working with ammonia ethylene, and methyl chloride, the attendant is one of the new duty call firemen and may, at a moments notice, be expected to leave this operation unattended.

Now, as a layman, as a citizen just examining the argument put forward, it strikes me that this is a dangerous kind of situation to create in a new set-up that is presumably going to be adequate to meet the threat from fire in the community.

On the next page in their brief, the union points out that "Polymer Corporation in March of this year, subsequently told this union, firemen and process workers, that no shift people will go outside the plant to fires." So that if per chance there is a fire nearby that may come their way, according to the rules no shift person can leave the plant, even though conceivably he may be one of the persons who has been trained for firefighting purposes.

They then go on to make an extended argument—which at this time of the day, I will not put on the record—regarding the standards established nationally by underwriters to prove what they contend is the case that the firefighting force in Sarnia is already understaffed, and that by dropping this larger load on them, they are not going to be in a position to cope with it and, therefore, that the corporations are not carrying their fair share for protection in the community.

They conclude by asking a number of questions:

> We ask what price are you prepared to pay to further subsidize industries responsibility? We ask further, is industry prepared to pay its share of the cost of services and authorities proportionate to its true market value of all assets?
>
> We further ask, is industry prepared to subject itself to further inspection and public reporting thereon, by all municipal, provincial and federal government fire inspection authorities? And are the industries prepared to comply with the findings of these groups? Are the industries prepared to supply complete and full information on all of the petroleum chemical volatile, explosive, obnoxious projects that are being handled, produced and transported in the Sarnia area?
>
> At the present time, the Ontario fire marshal's office and the municipal fire departments cannot obtain sufficient information from industry to train their people to be knowledgable in dealing with these bombs on wheels that are hauled along our streets and highways, let alone go into any of the plants in this area, on what might be termed a mutual aid basis.

They point out in a subsequent document, Mr. Chairman, that in contrast to the counter-argument presented by industry, supported by the underwriters association and accepted by the local municipal council, that one of the officials of Polymer emerged in a different capacity, namely, as the corporation's sole witness before an arbitration board to deal with a grievance.

In the course of his evidence, this Mr. Dale Wood, supervisor of special risks, the oil division, Canadian underwriters association, stated that his work covers oil and petrol chemical plants all across Canada, including all of the chemical valley. This man gave in evidence, for the arbitration board, that—and let me cite two or three incidents—first, "no plant has what he would call a professional fireman."

Now, here is a man who said this new set-up was fine, but when he comes up in another capacity, before an arbitration board, he makes a flat assertion that no plant has what he could call a professional fireman.

Secondly, he and others in his organization base their opinions on the information that the company tells them, not in what they physically see themselves.

This is a man from the underwriters association which is establishing the standards by which we are going to live and operate.

Thirdly, his organization is interested only in the physical property; they are not interested in the employees. Here, of course, you have the insurance underwriter's callous, economic approach. In fact, he nailed it down by a quote, which out of context is

almost too stark to contemplate, but here it is:

> You can kill all the employees you wish, as long as you do not destroy the equipment.

Now, that is a nice kind of approach.

Hon. Mr. Wishart: What was the first document the hon. member mentioned?

Mr. MacDonald: The first document was a brief that was prepared by the local union of the oil chemical and atomic workers and presented to the city council. The council in turn sent it to interested parties for comment and the representations came back. This was finally dropped in the lap of the fire marshal whose comments were solicited on March 19, 1968, which was some months after this argument got underway, and had raged—if that is not too strong a term—in the community.

The fire marshal replied to the city manager, Mr. R. G. Given. He makes three or four points, not all of which, once again, I will go into at this hour. But there are two or three of them that relate to public policy which I think the Minister should be aware of, and perhaps could comment on. His first comment, if I may quote a portion:

> The concept that has traditionally been followed in Canada and the United States and indeed in Europe, when large complex industrial organizations establish themselves within the community, is to act as good corporate citizens by providing fire protection for their own installations.
>
> There are several reasons for doing this, but one of the most specific is that such corporations are processing or manufacturing complex products which require specialized fire protection equipment and training of personnel that could not be expected to be provided by the municipal corporation. The standards of fire protection and employees' safety that such private corporations follow are usually dictated by government law in the case of employee safety.
>
> While it is not clear as to whether or not the opinion of The Department of Labour was sought with respect to employee safety in this matter, apparently the opinion of the Canadian underwriters association was obtained with respect to the level of fire protection for property safety.

I have two comments to make: One, as is pointed out later, the fire marshal—and perhaps with some validity, for this is not within his bailiwick—but when it gets back to the Minister, who is a member of the Cabinet sitting with the Minister of Labour (Mr. Bales), he leaves hanging in limbo the question of whether or not the safety of the workers is being protected.

I suggest that when the two Ministers are sitting in the same Cabinet, if as fundamental a change is made in the fire protection set-up, and the question can validly be raised whether the workers are being adequately protected within the plant, then the onus should rather quickly rest with the Minister of Labour being brought in and render a decision.

I am not aware—it is now three months since this letter was written—if the Minister of Labour has made any comment whether or not the law for protecting the workmen has been sufficiently safeguarded in this change, or if something more should be done about it. There should be co-ordination in the Cabinet on this kind of thing. Secondly—

Hon. Mr. Rowntree: Was this raised in the Labour estimates?

Mr. MacDonald: Frankly, no. Touché. Maybe I will ask the question tomorrow.

However, on the second point, with regard to the opinion of the Canadian underwriters association apparently having been lived up to, I have already put some evidence on the record. As to, quite frankly, whether or not the opinion of the Canadian underwriters association is the sole opinion that one should consider, I have some doubts. Any association that would make the comment that I quoted—"You can kill all the employees you wish as long as you don't destroy the equipment—as far as I am concerned, is not going to be accepted as final authority.

Mr. Bullbrook: That was taken out of context.

Mr. MacDonald: Somewhat out of context perhaps—I said it was too stark. But what he was saying was that, as far as the insurance underwriters are concerned, they were interested in the equipment and the building but not interested in the employees.

Mr. Sopha: Well, that is a terrible thing to say.

Mr. MacDonald: The physical set-up, not what happened to the men, right. And this is where The Department of Labour comes in.

Now let me move to the second point in the fire marshal's letter and I quote:

> In order that your council may satisfy themselves, an adequate degree of employee saftey is being maintained over this change in fire protection—

I am sorry, I really have dealt with this. This is where they said you should get in touch with The Department of Labour

It will be interesting when I put a question to the Minister of Labour now, to find out whether or not something has been done to assure himself.

But finally, the fire marshal wrote:

> If you feel it would be of any assistance to assess the needs of your municipal fire department, this office, on receipt of a resolution of your municipal council, would be prepared to conduct a municipal fire protection survey of your municipal corporation, but such a survey could not take into account completely the special hazards presented by the petro-chemical industry within your municipality.

Now, earlier in some great portions of these documents which I have not quoted, they make reference to the mutual fire protection arrangement which has been established on a county basis in some instances and in other instances among the industry themselves. What puzzles me—and I am now back to policy in the broad application, not only in Sarnia, but elsewhere—concerning the fire marshal's reservation. If the fire marshal's office is going to go in and make a survey why, if the survey is going to be meaningful in the context of that community, would it not take into account all of the firefighting —the mutual aid arrangements within the industry or the mutual aid arrangements within the community as a whole?

I do not profess to be an expert in the field, but I am a bit puzzled as to the purpose of the survey, if it is not going to take into account everything in the community, and come up with a pretty definitive recommendation.

However, my basic point, apart from whatever comment the Minister may have on the Sarnia case as a specific example, is more in the broad context. I am intrigued as to what appears to be a general tendency for industry that has accepted, as part of its corporate citizenship, a share within its own plant, of firefighting protection costs, but is now tending to unload this on to shift workers, as a part-time basis, with a lot of questionable consequences. But more important, to drop a greater proportion of the burden on the local municipal firefighting force, so the net effect is that what was originally carried by industry, rightly or wrongly, now is going to be carried by the already overburdened local municipal taxpayer. In short, this may well be something that the Smith committee should be looking into, in terms of the equitable sharing of our tax burden at the local level.

Mr. Bullbrook: What did city council say on that?

Mr. MacDonald: The city council, if I recall—and if the member is more knowledgable I invite him to speak—the city council in effect sent the union brief out to get the reaction from the underwriters, from industry, from everybody, and then finally, after a further exchange, they sent it to the fire marshal's office. That was some three months ago. Now what has happened since then? If the member can fill us in, I would appreciate it.

Hon. Mr. Rowntree: Mr. Chairman, this would appear to be a desirable time and appropriate one to move that the committee rise and report.

Hon. Mr. Rowntree moves that the committee of supply rise and report it has come to a certain resolution and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee begs to report it has come to a certain resolution and asks for leave to sit again.

Report agreed to.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, tomorrow morning we will continue with the estimates of this department until one o'clock in the afternoon and the happy hour between one and two p.m. before lunch will be assigned to Budget debate.

Hon. Mr. Rowntree moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11.20 o'clock, p.m.

Legislature of Ontario
Debates

No. 138



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Friday, July 5, 1968

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, JULY 5, 1968

The House met at 9:30 o'clock, a.m.

Prayers.

Mr. Speaker: Petitions.

Presenting reports.

Motions.

Introductions of bills.

THE TERRITORIAL DIVISION ACT

Hon. W. D. McKeough (Minister of Municipal Affairs) moves first reading of bill intituled, An Act to amend The Territorial Division Act.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: This is a housekeeping bill.

THE MUNICIPAL TAX ASSISTANCE ACT

Hon. Mr. McKeough moves first reading of bill intituled, An Act to amend The Municipal Tax Assistance Act.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, those amendments correspond with amendments in the following Act.

THE DRAINAGE ACT, 1962-1963

Hon. Mr. McKeough moves first reading of bill intituled, An Act to amend The Drainage Act, 1962-1963.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, this Act amends the 1962-1963 Drainage Act and is essentially concerned with clarification of certain sections of that Act, and a simplification of administrative procedures. Sections 2 and 7 provide that notices be sent to all affected conservation authorities at least 30 days before the engineer is appointed. Sections 4 and 5 were amended to delete reference to The Conservation Authorities Act, and make reference to the new Conservation Authorities Act 1968. Section 9 and 10 deal with administrative procedures.

These two sections eliminate the need for approval by the Lieutenant-Governor in council for grants in excess of $5,000. The remaining sections, Mr. Speaker, deal with a variety of matters pertaining to this Act. Section 1 spells out the reference to "the Department" as meaning "The Department of Municipal Affairs". Section 3 corrects previous reference in a section dealing with assessment of land in neighbouring municipalities. Section 6 removes doubt concerning the status of lands that are exempt from taxation under The Assessment Act. This section authorizes such lands to be specially assessed in substantially the same manner as provided for in The Local Improvement Act. Section 8 is primarily of a clarification nature, and extends the eligibility for drainage grants towards repair and maintenance on drainage works assessed against agricultural lands. Section 11 ensures that the drainage referee will be compensated for his services under the Act, notwithstanding the provisions of any other Act.

Mr. Speaker: Introduction of bills.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Highways that follows some information he gave the House yesterday.

Why was the priority for the construction of Highway 522 and the bridge over the Pickerel River Narrows reassessed?

Hon. G. E. Gomme (Minister of Highways) Mr. Speaker this is a usual procedure for us in the department to reassess the needs of the traffic and all these things with every highway project, and this would be why.

Mr. Nixon: Why do the reassessments come after every election?

Mr. Speaker: The Minister of Energy and Resources Management has an answer to a question.

Hon. J. R. Simonett (Minister of Energy and Resources Management): Mr. Speaker, in answer to question 512 asked by the hon.

member for York Centre (Mr. Deacon). His question was:

1. Has approval been just granted for a new sewage plant in the township of Vaughan? 2. Will this new plant serve all the southeastern section of Vaughan, located in the Don River shed? 3. Will the town of Richmond Hill have access to this new plant to alleviate its present overloaded sewage facilities? 4. Did the OWRC recommended this new plant?

The answer: Arrangements have been made with the Ontario water resources commission to authorize implementation of certain sewage works in the township of Vaughan in accordance with the report by Duncan Hopper and Associates Limited, Consulting Engineers, dated January 3, 1968, entitled "Township of Vaughan, North Don Sewerage."

I now wish to report the government's conditions under which this authorization is to be given.

1. A 1.4 millon gallon per day complete sewage treatment plant, will provide for effluent polishing and nutrient removal. This plant will serve the expanded York Central hospital, the proposed Don Head school, 4,200 persons in the town of Richmond Hill and 400 acres of new development which is generally described by drawing No. 6774-1 in the Duncan Hopper report, and there will be no extension of the serviced area beyond these limits and no expansion of the sewage plant capacity.

2. The sewage plant will be abandoned by the municipality with no compensation if it is requested to do so when the overall servicing programme in York central areas is implemented by the OWRC.

3. The township of Vaughan shall participate in the proposed regional servicing scheme, and enter into an appropriate agreement with the Ontario water resources commission.

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third reading upon motions:

Bill 143, An Act to amend The Corporation Tax Act.

Bill 145, An Act to amend The Municipality of Metropolitan Toronto Act.

Bill 149, An Act to authorize the raising of money on the credit of the consolidated revenue fund.

Bill 154, An Act to amend The Municipal Unconditional Grants Act.

On Bill 155, An Act to amend the Municipal Act:

Mr. D. M. Deacon (York Centre): Mr. Speaker, I wish again to make a few remarks about Bill 155, and the clause in that bill relating to the enabling of large municipalities to dump garbage in small ones, or even small ones to dump garbage in large ones, without proving the need to do so, and I think that this whole approach of setting up a situation, whereby municipalities will get into conflict with each other even before the Ontario municipal board, is unwise and I think it is unnecessary and I deplore that the Minister has not found a better solution to this situation. I think that the government is failing to approach the problem which is going to be an increasing one, in a logical and long-range, and far-sighted way. They are just setting up a battleground which is going to occur repeatedly until this government devises a plan to deal with the disposal of garbage in a major metropolitan area.

Motion agreed to; third reading of the bill.

The following bills were given third reading upon motions:

Bill 156, An Act to amend The Assessment Act.

Bill 158, An Act to amend The Power Commission Act.

Clerk of the House: The 15th order, the House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF THE ATTORNEY GENERAL

(Continued)

On vote 208:

Mr. Chairman: The member for Sandwich Riverside.

Mr. F. A. Burr (Sandwich Riverside): I believe that last evening, the Attorney General did not get around to answering the question: Would he introduce legislation provincially to ban the sale of fireworks publicly? I think that he overlooked giving us his view on the matter.

Mr. Chairman: That topic had been completed and the member for York South (Mr. MacDonald) had introduced another topic.

The Attorney General had not responded to it.

Hon. A. A. Wishart (Attorney General): I wanted to speak on the matter raised by the hon. member for York South. I did not, in the instance, get a copy of it, but I think I got the content of it as the hon. member read it. I think that the fire marshal was expressing what I think was a very proper approach to the matter. He was willing and competent to survey for the municipality, its capabilities in the matter of firefighting, and its complement, and the equipment it should have and the circumstances of its municipal responsibility.

I did ascertain in discussion with him that he did not feel that he had the jurisdictional right to go into the industry concerned and that perhaps he did not have the competence to assess the technical requirements of that highly pyrotechnical industry. I also ascertained the provisions which relate to the safety of the personnel, that the industry comes under the Canada labour safety code, and this is a Dominion company, a Crown corporation, controlled under the Dominion labour safety code.

The fire marshal had no objection to doing that, but the company should decide its own means of firefighting and whether the provisions are adequate for the protection of its personnel. It comes under the Canada safety code, and should be followed through that agency.

Further than that, the matter has been followed up and arrangements have been made with the Ontario Department of Labour, and in conjunction with the federal authority, to have that inspection or study made and the fire marshal will assist to whatever extent he will be requested. I understand that he is working through The Department of Labour, which handles the labour safety code, in the matter.

The general approach to the municipalities of the fire marshal—as the hon. members are aware, much work is done in aiding the municipalities. It helps them assess their needs for firefighting purposes, in personnel, equipment, and training. These have been most helpful and the recommendations suggested are usually adopted and carried out. Generally the situation has not been left as was indicated by that letter but they are being followed up.

Mr. D. C. MacDonald (York South): Mr. Chairman, as I indicated yesterday, my interest was not primarily in the specifics of the Sarnia case, but more generally in the underlining policy, and therefore its possible wider application throughout the province of Ontario. I emphasize that before I proceed with my remarks.

I think that the Attorney General's remark, with regard to The Canada Labour Safety Act applying, is true in the case of Polymer, because it is an emanation of the federal Crown. But it is not true in the case of any other industry in the province of Ontario. That brings me to a basic policy question about the operation of the office of the fire marshal.

What is the point of having the fire marshal's office which moves in to survey the adequacy of fire protection in a community but does not have the power to investigate an industry? As I quoted yesterday, the underwriters say that they accept the industry's versions of its fire protection capacity because they do not go in and see it for themselves. Now it seems that there is a problem here at your level, caused by a need for a policy decision on behalf of the fire marshal's office. Because, now that we are altering the previous setup with regard to fire protection and apparently shifting some of that share of the burden that was carried by corporations on to the municipalities, it would seem that someone will have to make the decision as to whether or not the new situation is adequate for the protection of the community, as well as industry.

You cannot do that by standing outside and helplessly, in effect, operate on the basis of, "what the industry says is the story." As I indicated last night also, I do not think that we should be satisfied with accepting the insurance underwriters' views of the situation.

But, moving out of Sarnia altogether, I have an even broader application of the issue. My question for the Attorney General is: just how wide is this practice—one illustration of which we have seen in Sarnia—of companies who have had their own full-time work-force staff to do their own firefighting, dropping that responsibility and handling it on the basis of shift workers being trained to cope on a part-time basis? How widespread is this shift of responsibilities for fire protection from corporations to the local municipality?

Just before I sit down, I would like to mention two other aspects of the situation, with specific reference to the underlying policy, because the Attorney General has not

referred to them. It has to do with the business of the shift of the tax burden. How widespread is that throughout the province of Ontario? It seems to me that if it is more widespread than in the city of Sarnia, then this is a matter that should be looked at as an aspect of overall government policy.

Secondly, on the safety aspect, again setting aside Polymer's unique position of being a federal Crown agency—what are the procedures to bring the provincial Department of Labour immediately into the picture when there has been a change in the firefighting establishment and the division of responsibility between corporations and the local municipality? As I said last night where the fire marshal writes and says, "Now I suggest you should get The Department of Labour in to discover whether or not the workers' safety is now adequately protected under the new set up"—the public safety is the fire marshal's responsibility, but the workers' safety is the government's, through The Department of Labour. Can we not get some automatic procedures established within the government that, when the change is made, there will be an immediate assessment by the appropriate government department, in this instance The Department of Labour?

Hon. Mr. Wishart: Mr. Chairman, I am really very appreciative of the hon. member raising these points and I agree with him that I think there is certainly a need here for discussion and a formulation of policy. The matter came to my attention for the first time late yesterday evening and I have not had time to pursue it.

I have noted very carefully in my brief notes what he has brought forward. I agree with him that there is certainly a need to have a discussion as to the powers of our own fire marshal's office with respect, particularly, to his powers to enter and inspect and require certain things to be done in a corporation, which is a citizen of the community and a taxpayer, from the point of view of property protection and particularly the personnel therein, and that this will involve our Department of Labour very definitely. I appreciate that Polymer is a special situation, but the fact that it is a Crown corporation does not take away from the necessity of pursuing this matter.

I have not had an opportunity to discuss it, except very briefly late yesterday with the fire marshal, and I have not had a chance to talk to my colleague, the Minister of Labour. But it does occur to me that while the matter needs to be followed up, there must be quite a wide power in the local fire inspector who can come into the home, and, I presume, into industry, into an area within a municipality, and inspect and require changes, improvements, and so on. I have noted the matter. I agree that there is need for study and probably action, and I shall follow up the matter. I am glad it has been raised.

Mr. MacDonald: I appreciate very much what the Attorney General has said. May I just emphasize one point? In following it up I wonder if the Attorney General would cast his eye across the province and see how widespread is the development of this problem.

Mr. Chairman: Is there anything further on the office of the fire marshal? The member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Chairman, would the Attorney General advise me if the fire marshal's office keeps an inventory of the fire equipment and the age and the efficiency and capability of fire prevention equipment in the various municipalities around the province.

Hon. Mr. Wishart: Yes. The fire marshal's office has a complete knowledge of the equipment complement of each municipality.

Mr. Deacon: Mr. Chairman, could the Minister advise me if the fire marshal's office is also co-ordinating or assisting the municipalities in the co-ordination of firefighting agreements between each other; in the training of their personnel; and in seeing that they have, perhaps, a rating efficiency as to their ability to cope with fire protection in their municipalities.

Hon. Mr. Wishart: That is a large part of the activity of the fire marshal's office. We have no power to compel municipalities to amalgamate, as it were, their forces, but they are assisted in every way in advice—inspection of their complement, the training of their personnel, and their needs are set forth. The fire marshal's office gives them very useful assistance in this area.

Mr. Deacon: Mr. Chairman, then the fire marshal's office does advise municipalities when they consider the agreements and arrangements to be deficient in protecting any particular areas concerned, do they?

Hon. Mr. Wishart: They do.

Mr. Deacon: Well, I appreciate that answer, because a few years ago when we were

trying to determine the efficiency and the situation of our municipality in Markham township *vis-à-vis* the other municipalities in the province, we were unable to get assistance from the fire marshal's office at that time. I am very pleased to know that this type of programme has been introduced. It is amazing what excellent results can be achieved in these less densely populated areas by volunteer brigades if they are properly assisted and encouraged by the fire marshal's department.

I know that in our own area we have seen some remarkable results of a volunteer brigade. I noted with interest the member for York South's concern about industry and their co-operation on part-time, rather than full-time firefighting assistance. I know in our own area that we have valued very much the co-operation of small business people and others who are willing to give up their time to look after the protection of our property, and have done it very effectively.

I do not think I have ever before seen a partially burned barn, it is a most unusual sight. That is the situation in our own municipality under the volunteer system, and I do not think it is to be deprecated.

Mr. Chairman: The member for High Park.

Mr. M. Shulman (High Park): Mr. Chairman, one brief question. Does the fire marshal's office have anything to do with inspection of government-owned buildings, for example, the Mercer reformatory?

Hon. Mr. Wishart: It inspects many government-owned buildings from the point of view of fire.

Mr. Shulman: In that case there is a matter I would like to follow up. The member for Lakeshore and I toured the Mercer reformatory recently and we were a little disturbed to discover that the fire hose in the large room—I guess it is the auditorium—obviously had not been inspected or touched for many years. The hose is wound around a central core, and fungus and cobwebs have completely bound the whole hose together so it could not possibly have been used.

I would like to suggest to the Attorney General that that inspection, at least in this particular area, was not too thorough, and request that he look into that matter.

Hon. Mr. Wishart: I will be glad to do that. When the hon. member's question was asked it was about the inspection of government-owned buildings, public buildings—the fire marshal does this usually on request. Where a building comes within the jurisdiction of a department, such as in this case at Mercer, which he specifies, the inspection, originally and primarily there and protection generally in that institution, would be the responsibility of The Department of Correctional Services under the Minister.

The fire marshal would come in, usually on invitation, and advise, inspect and report and give the basis of his findings of what should be done, but I do not think he goes in as a matter of course to inspect. I have noted it.

Mr. Chairman: Office of the fire marshal; agreed to.

Office of the supervising coroner and general inspector of anatomy. The member for High Park.

Mr. Shulman: Mr. Chairman, perhaps some of the members will recall that last year there was an enquiry into the purpose of coroners' inquests, and I thought perhaps I should say a word or two on the purpose of the coroner just in case this enquiry had not come to the attention of some of the members of the House.

I am not going into the details of the enquiry. We have belaboured that on numerous occasions, but at this particular time I am anxious to discuss the purpose of the coroner, and specifically the purpose of the coroner's inquest for this is the reason I am here.

There has been a divergence of opinion, let us say a mild disagreement between the Attorney General and myself on the purpose of the coroner's inquest. As I understand the view of the department as it has been expressed in letters and publicly and at the Royal commission, the purpose is to determine the cause of death in the specific cases involved.

May I say, to digress for a moment, that the Premier stated in the Legislature April 14, 1967 on page 2198 that the status and purpose of the coroner would be looked into by the Royal commission. Somewhere between the passing of his instructions to the commissioner and the carrying out of the duties of the commissioner, this was somehow overlooked, so perhaps you will pardon me, as I go into that now.

I would like to submit to you, sir, and I am sure you will agree with me even if the Attorney General does not, that the purpose of a coroner's inquest should be to prevent

future deaths. This is the role that has been passed down by precedence and common law from our Mother of Parliaments, from the role of the coroner.

In England it is agreed with by Jervis, the leading ancient authority on coroners. It is agreed with by Gavin Thurston, chief coroner of London, England who has written what is the authoritative text on the purpose and function of the coroner.

Unfortuntely, here in Ontario, the department does not agree that this is the primary function of the coroner. In fact, I am not sure that they agree this is a proper function of the coroner, and the role of The Attorney General's Department and of the Crown attorneys who represent him at inquests, for many, many years was to limit discussion at inquests, to limit the investigation at the inquest so as to determine the cause of death alone and for some years they became very upset if there was any digression off into related matters which might prevent a similar death in the future.

If we look at it at a very simple level, I think it is quite obvious that, if the Attorney General's interpretation of the role of the coroner is correct, we might just as well wind up coroners' inquests right now and forget all about them. Because if all we are interested in determining is the cause of death—let us suppose a car is struck by a train at a level crossing—the cause of death is easily determined. The person was crushed or torn to pieces and we could stop the inquest right there.

But, of course, that is not the function of the inquest. The function is to go deeply into the matter and determine if there should be a level crossing at that particular spot. You make recommendations to prevent cars from being struck by trains.

When we have a death in a hospital as a result of an instrument being left in error in the abdomen, the cause of death is very obvious—obstruction of the bowel. But the purpose of the inquest should be to determine more than this. It should be to determine and lay out rules which would prevent this type of negligence occurring in the future.

I think that many people—I would like to believe most people—in this province were satisfied and pleased in recent years when a new trend had occurred in coroners' inquests, when they were probing more deeply and were making efforts to prevent deaths in the future, which I submit—and I believe I have a great deal of authoritative support—is their proper function.

Incidentally, believing that the Premier has some influence with Judge Parker, I prepared a 200-page brief, 100 pages of which were on the purpose and function of the coroner. I did not get an opportunity to deliver it at the Parker Royal enquiry and you will be delighted to hear that I am not going to deliver it today either, as it would take a very long time.

It really is not necessary to cite all sorts of precedents and authorities. If the Attorney General wishes, I will be glad to read it but unless there is a specific request from him perhaps we can dispense with that.

Now to come up to date. I am extremely disturbed to find that since the recent eruption in the coroner's office the people in charge at that office—and the responsibility ultimately must go back to the Attorney General, there is no use blaming the little man who works for him, who only follows his directions—the people at that office have turned the clock back.

We are right back in 1962 and before that when the purpose of the coroner's inquest was to get the thing covered up, get it over with as fast as possible, if possible placate the family, quiet down the press, make sure there is no flare up and onto the next disaster.

I would like to refer you to an inquest which took place in Toronto recently, which exemplifies all that is bad in the present attitude of the Attorney General and the supervising coroner and everyone who has anything to do with coroners' inquests. They have managed to turn the clock back 20 years. We are right back where we were before—not interested in preventing future deaths, only in "getting it under the rug."

I have here a copy of the Toronto *Daily Star* of Wednesday, June 26, 1968—and let me say, unfortunately, this is not the only example but the most recent and it just proves the people concerned have learned nothing by those five years of controversy. The only thing they have learned is "if someone tries to look into this thing, get them out of the way and let us get things back to the way they were before."

Well, there were three deaths—three construction workers died in North York—and The Attorney General's Department may not have been disturbed about it but a lot of other people were. Particularly the labourers' union, who were involved with this case

closely because it was members of their union who had died.

They were very anxious to explore not what particular organs were crushed in the bodies of those men—only the Attorney General cared about that apparently and the coroner in charge and the Crown attorney—the union was interested in exploring ways of preventing similar deaths in the future.

They felt, quite rightly, that the cause of these deaths and the key to preventing future deaths was very obvious. It lay in the construction safety code, and if changes or improvements could be made in the code this type of disaster would not occur again.

They wanted the construction safety code looked into closely. They wanted the system of safety inspection in North York looked into closely. And what did the Attorney General and his servants say? "Do not look."

There is another matter that comes into this—that is the right of the relatives of the deceased or the relatives of any interested parties to ask questions at an inquest, to get all the facts, to examine any witnesses, either in person or through counsel.

This, I am sure the Attorney General would agree with me, should not be a privilege which can be given or taken away at the whim of himself or a coroner. It should be a right, provided the questions are pertinent, provided the matters that are being looked into are relative to the death or may help to prevent another similar death. The affected person should have the right to cross-examine.

Well, at this particular inquest, which to my shame took place in Toronto, they did everything wrong they possibly could. They refused to allow lawyers for interested parties to cross-examine, they refused to allow pertinent facts to be brought out, they did their best to cover everything up and sweep it under the rug.

I want to read just a little bit of what occurred at that terrible, terrible parody of an inquest, this mock inquest which took place here a week ago:

> Assistant Crown attorney J. B. Webster invited any lawyers present to join him at the counsel table. However, when Waterman—

Lawyer J. Waterman was appearing on behalf of the union to enquire into safety.

> —However, when Waterman began asking questions whispered to him by Norman Pike, the safety director of the labour union, who was taking notes, the Crown attorney objected. "This is not a sounding board for union proposals," Webster said, "we are trying to establish why and how he died."
>
> Waterman protested he had the same objectives as the Crown attorney but was going a little deeper with his questions. Webster was reinforced in his objections when Duncan Phillips, a lawyer for North York, objected to Waterman questioning witnesses at all.
>
> Waterman protested but the coroner ruled, "From now on I would like your questions submitted in writing. If they are relevant, they will be put. Is that understood?" Waterman, who seemed on the point of explosion, said, "Understood." When Waterman started asking questions about the construction safety code, Webster—

that is the Crown attorney—

> —said, "Direct your questions to the cause of death, not the safety code." "The two questions cannot be separated," retorted the labour lawyer.

They would not let him pursue these questions.

So what do we have at that inquest? We have a senior coroner present, who should have known better if he had not received instructions to the contrary. We had a Crown attorney present, who should certainly have been instructed in the proper role, the proper function of an inquest. We had a lawyer for the borough, who certainly was not interested in future safety matters; he was interested in finding out what injuries caused the death. And the Attorney General did not intervene, or if he did it was on the wrong side, as represented by his Crown attorney—on behalf of silence, that is where the Attorney General intervened.

So what does the labour union think about this? Let me say the feeling of the public is that there is some importance in this matter, in addition to the more important matters of preventing similar deaths. The feeling of the public is of some importance because, if they begin to believe again, as I now believe, that coroners' inquests are purely and simply to placate people, to quiet things down, they are going to become very disturbed with coroners' inquests, as they were for a long period of time.

And let me suggest to the Attorney General and to the Premier—because this is what interests them—if the public become very upset they are going to lose votes, so may I

suggest at that level alone you should have a more direct interest in this matter.

What did the labour union think of all this? They have charged a cover up. "The men are dead, but they do not want us to stir up a hornets' nest, they make it look so beautiful." The safety director called out, "Good cover-up job." The lawyer said, "The inquest was a shocking bloody disgrace." And he was right.

The head of the labourers' union said they are not interested in our lives, and he was right. And I say to the Attorney General, terrible inquests occur in the boondocks of this province, but to find something like this occurring here in the capital, with the presence of a Crown attorney, with the presence of a senior coroner, highlights the extent to which he has succeeded—and I lay the responsibility on the Attorney General—the extent to which he has succeeded in perverting the purpose of an inquest.

As the Attorney General and chief law officer of this province, it should be his desire, it should be his wish—politics aside, interest of individuals aside, interest of corporations or government aside—it should be his one desire to see that the facts are brought out in a way that can produce recommendations that will prevent this type of death, and he does not care.

I am going to stop for a moment. I have a great deal more material on this particular subject but perhaps the hon. Attorney General has some comments on this matter, or any other member.

Hon. Mr. Wishart: If there is any more material of that nature, I would hope the hon. member will proceed and get it over with, because all I have heard so far is the same sort of thing, the allegations he made, which were the subject of a Royal commission of enquiry. I would make the some comments as were found by that commission of enquiry.

Actually, to stand up and charge that the Attorney General does not care, that the Attorney General is disinterested, that the Attorney General has changed the approach of coroners' inquests, is completely without any foundation whatsoever. We have broadened The Coroners Act, requiring further institutions to report deaths—The Coroners Act specifically requires industry to report deaths. I think I differ not so much with the hon. member as to the purpose of the inquest. Where our differences perhaps arose —he will direct his mind to it—was over the methods that he particularly was pursuing, which were undoubtedly irrelevant to the purpose of the enquiry.

Mr. McRuer, in his study, has taken into account the coroner's office, the coroner's function, and has made certain recommendations. And as I reported to the House before, we are studying all the recommendations which Mr. McRuer has made with a view to implementing them into legislation.

With respect to the coroner's office, he deals with the purposes of an inquest; he points out that we do not have an Act specifically spelling those out. I can say that we have followed the English practice and Mr. McRuer quotes it:

> Proceedings in evidence in an inquest shall be directed solely to ascertaining the following matters, namely—

This is the English language of their statute:

> (a) who the deceased was, how, when and where the deceased came by his death, the persons, if any, to be charged with murder, manslaughter, infanticide or accessory before the fact.

and so on.

> And the particulars required by The Registration Act to be registered.

And then it goes on to provide that:

> Nothing shall pursue the coroner or the jury from making a recommendation designed to prevent the recurrence of fatalities similar to that in respect of which the inquest is being held.

Now, if you are pursuing fully, as you should —and I am sure the hon. member is not suggesting I have restricted the enquiry—if the enquiry is pursuing—

Mr. Shulman: How about the inquest?

Hon. Mr. Wishart: There is nothing the hon. member has said where I am related to that inquest.

Mr. Shulman: The Crown attorney is your representative.

Hon. Mr. Wishart: If you pursue the enquiry as it should be pursued, and it should be pursued to the fullest extent as to how, when, where, you get to the situation, the circumstances surrounding the death, whether it is in industry, hospital, an institution, a motor vehicle accident, and so on, and all those circumstances come forth.

It is to be borne in mind that the coroner's inquest is conducted before a jury of the people. It is a public enquiry before a jury. And their recommendations are car-

ried forward to the department of government, to the municipal people, to the chief coroner's office, so that action may be taken to implement them and to make the necessary changes, so they may be followed up. So there is more to a coroner's inquest than just what the hon. member is trying to make out—to find out the cause of death and the nature of it and an autopsy on the body. I just have to reject that whole statement.

As I say, it is in the nature of the charges that the hon. member made which were found baseless when they were investigated by the Royal commission. I am not going to quote that report, nor am I going to take the time of the House to conduct such an enquiry here into that. I can only say that what he has said about the attitude of the Attorney General is not true. The coroner's enquiry is directed to ascertain all the circumstances, particularly with a view to making, through a jury of the people, recommendations that are acted upon by the departmental authority to which they are directed.

Just to reiterate briefly. The recommendations that Mr. McRuer has made are fairly complete and we are moving towards implementation.

Mr. Shulman: Is the Attorney General going to make any comment on the particular inquest which took place in Toronto?

Hon. Mr. Wishart: No.

Mr. Shulman: Does the Attorney General approve of the conduct that took place at that inquest?

Hon. Mr. Wishart: I have not studied the particular case.

Mr. Shulman: May I suggest that the Attorney General should study that particular inquest, because this represents everything that is wrong in the department. Before I go on, the member for Sudbury East wishes to make some comments.

Mr. E. W. Martel (Sudbury East): Mr. Chairman, through you to the Attorney General. The Attorney General is quite aware that the complaints that my colleague from High Park has made are the same type of comments that he has received from the union officials in the Sudbury district regarding inquests held in that area. The very fact that we do not seem to stress the fact than an inquest's findings should be to prevent further accidents occurring seems to be handed on to the management.

I want to quote from a letter which I received from the union, addressed to the Minister of Mines (Mr. A. F. Lawrence) and I believe that copies have gone to the chief engineer of mines and so on. This is what the union finds now as the result of this attitude—that an inquest is not to eliminate further accidents occurring and I quote:

> We know from experience that in many cases these recommendations handed down—

Hon. Mr. Wishart: Could you give the date please?

Mr. Martel: Yes, it was March 22, 1968. I will continue:

> —by coroners' juries are completely ignored, and, in fact, in our operations the mine superintendent will not discuss the jury recommendations that were handed down regarding a fatality in another mine, even though it is the same company.
>
> In other words, management at Creighton and Garson Mines will not discuss anything regarding the fatal accident in Levack Mines, although all are INCO properties.
>
> This does not make sense to us. If this is a mining fatality and the jury makes certain recommendations to prevent a similar accident from taking place in the future, should not these precautions be carried out at all mines? If this is not the case, then we believe that the taxpayers' money is being wasted, and that we are accomplishing nothing towards preventing such tragedies from taking place.

This is certainly in line with the comments of the member for High Park when he says: "What is the value if not to prevent future fatalities from occurring, when management refuses to talk about it, even though it is respecting another mine?

I have quite a bit on this, and, as the Attorney General is aware, I have been pursuing some questioning at length over the way that inquests and investigations are taking place in our area. I would like his comments up to this point.

Hon. Mr. Wishart: Mr. Chairman, I think that the hon. member knows that I have been in correspondence with union officials and management on this matter and that I have since the date of that letter, asked the chief coroner of Ontario to proceed to Sudbury to discuss the whole matter there, which he did with the officials of his office. I have had correspondence since.

I met—not since the letter, but previously—with the members of the union there and we have discussed the matter with the Minister of Mines, and these matters have been brought to his attention.

I must say that there is one question which the hon. member has not mentioned—about the company police on the payroll being employed to investigate fatalities. That has been changed and the investigation will be handled by the Ontario Provincial Police. This has been done since the date of that letter, so we have moved into the situation through the chief coroner's investigation into the matter and my own intervention. I think you will find that has been greatly improved.

I must say, and it is only fair to say, that some of the things which were raised by the union officials were unreasonable. This was in the matter of procedure to be adopted, where they wanted the right of anyone to be able to get up and question a witness.

It had to be pointed out that the coroner has discretion as to how the inquest shall be conducted. To permit any person who felt he had reason, to stand up and talk and question the witness on his own, or with counsel, was something which would make for improper conduct in the inquest. It was pointed out that the question should be raised through the Crown attorney who is the person who has the responsibility.

There were comments made that because the cornoner would not permit this that he was incompetent or biased or something of that sort, which I have to completely reject. But we have moved to investigate the substance of the complaints there, and I think that the hon. member will find that they have been largely corrected. The matter is still a current file before me in my office.

Mr. Martel: I would like to ask the Attorney General how all the evidence, or the type of questions that the union wants presented can be submitted by someone else who is not familiar with mining? I have taken into consideration the fact that the question was not presented in precisely the manner necessary to establish the type of answer desired. I do not mean an affixed answer, but as a teacher I know that I can elicit a certain reply just by the manner in which the question is put.

It is certainly one of the complaints of anyone at an inquest that the questions are not asked in the manner desired. Consequently they do not get the answer. It is not an affixed answer that they seek, but the manner in which the question is presented is irritating in that we cannot get the facts sometimes. Will the Minister comment on this?

Hon. Mr Wishart: Mr. Chairman, I am more than willing to comment, but I would prefer to answer all the comments that the hon. member has on the matter at once. I will deal with this one that he has asked.

What he is really suggesting is that people be allowed to ask leading questions; a question which leads you into a certain reply, and that is not good, fair, or proper questioning.

Mr. Shulman: The supervisory coroner does that all the time.

Hon. Mr. Wishart: But this is a detail. As I have pointed out, the coroner does not necessarily follow the rules which a judge would or might require, because an inquest is wider and goes further. But for me to say that in an inquest leading questions would be permitted, I just cannot say that.

The hon. member is protesting about the framing of the question and this may be due to the fact that the coroner asks the question in his own style, or that the Crown attorney is permitted to ask the questions, which may be quite proper, in the coroner's inquiry.

Mr. Martel: Mr. Chairman, I am not suggesting that anyone be allowed to get up and ask leading questions. I am simply stating that someone who is familiar with the type of work and trying to get the questions across in the best manner, without being leading, should be entitled to do that.

There are other areas that I would like to move onto again if I might. The Thompson inquest held in Sudbury is one. I submitted to the Attorney General some time ago, a quote from the Sudbury *Star* and so on, the fact that Mr. Thompson's body had been moved within five minutes of the time that he was struck, and that the plant was back in operation five minutes after the time that he was injured.

Now, there are certainly some very disquieting things coming from this in that I received a long distance call just three or four days ago.

Hon. Mr. Wishart: Mr. Chairman, before the hon. member goes on, if that is the inquest, the fatality that I recall, the fact is that Thompson, while he was very seriously injured at the site, did not die there, but was removed, and died in the office. So surely the hon. member is not suggesting that because

he was moved while he was still alive that this is a wrongful thing to do.

If he had been completely dead as a result of the accident, perhaps there was some reason to leave the body there to see all the circumstances surrounding it. But to leave an injured man—a seriously injured man—to lay there and not to move him is something that one could not contemplate.

I do not know what point he makes by saying the body was moved within five minutes. Why should it not be? I do not understand the implication of that remark. We investigated that and it was put forward in that way once before. Having been investigated, we found that the death occurred after he had been moved to some place where he might be treated, given some assistance. I do not follow that implication. I do not even accept it.

Mr. Martel: Well, Mr. Chairman, through you, I was not finished in what I was going to say.

Hon. Mr. Wishart: Is that so, or is it not so? Did not Mr. Thompson die elsewhere than where he was injured?

Mr. Martel: Right, he died within five minutes, but he had been moved. The point I am coming to, Mr. Chairman, is the fact that the body—the evidence apparently, or the scene of the fatality—was greatly changed prior to anyone coming there to investigate.

Hon. Mr. Wishart: That is a different matter and that has been brought to our attention.

Mr. Martel: The point I want to find out is, will charges be laid against International Nickel for altering the site of an accident before it can be investigated? I do not think they have a right to do this. I am no lawyer, but it does not seem right to me. How can you conduct an inquest when the scene of an accident has been altered, and certainly this has been a complaint of the union officials in the Sudbury district for the greatest length of time now. Frequently—and I have seen pictures—cement and everything has been added to alter the site of an accident before an investigation is conducted, and this sort of practice must stop. This is the point I am driving at. The fact Thompson was moved, and died somewhere else, is not really relevant here, the point I am trying to make is that the site of accidents are being altered and investigations cannot then be thorough.

The last point I would like to bring out deals with a case that was submitted some time ago. It revolves around an inquest held into the death of Mr. Stanick. Again, a case which I brought up earlier. The union has written Mr. Cotnam, March 6, 1968, that one of the men who gave evidence was being intimidated by certain of the supervision. I am wondering if The Attorney General's Department has looked into these allegations of attempting to intimidate a man to give the "right" type of information at the inquest by certain minor officials in the plant who were intimidating certain of the witnesses. I wonder if the Attorney General and his department look into this matter?

Hon. Mr. Wishart: I would say to the hon. member on that point that if you let me have those facts which he has I will be glad to look into it. You say that a letter has gone to Dr. Cotnam? I would like to have an opportunity to follow that up. That apparently was in March, you say?

Mr. Martel: March 6, 1968.

Hon. Mr. Wishart: Now, I would be glad to follow it up. As to altering the scene of an accident, which were the words of the hon. member, there is no reason why that is to be regarded as a cause for prosecution, unless it were done with a view to destroying the evidence which existed.

Now an accident occurs in an industrial plant, in an industrial situation, there are witnesses, it is presumed, who saw the circumstances at the time of death. A beam has fallen, a machine has fallen over, a track has been broken and something has occurred to cause a fatality. The body is removed, but there are witnesses to these facts, who can give evidence. It is not to be expected that the whole plant must shut down, and that nothing can run, and that the industry must come to a halt.

That is not required, and it is not a matter which should be taken into account—with a view to prosecution, because the situation is restored, and industry resumes its way or the operation or whatever it may be. The same thing in a motor vehicle accident. You get as much evidence as possible of the scene, the vehicles must be moved to let traffic resume its normal flow. These are things that our common sense dictates must be done. I have a note now that in the Stanick case—the matter reported to Dr. Cotnam was referred to the Crown attorney, Mr. Burbidge, and investigated and there

was no evidence. He could find no evidence that the man was being intimidated in any way.

Mr. Martel: Well just two final points. One, I would like to congratulate the Attorney General for having the provincial police conduct the investigations into fatalities at any of the INCO holdings in the Sudbury district. The second point, however—

Hon. Mr. Wishart: May I be permitted to say that when we brought the complaint to the attention of the International Nickel Company, they were most anxious, and immediately said that had they realized there was any objection to this, they would be most happy—in fact it suits them very well to have fatalities investigated by the OPP. There was no difficulty about that matter. It was just a case put forward to us as a cause of disquiet, with the feeling that the company police maybe, were not as impartial as they should be. There was no difficulty whatever.

Mr. MacDonald: On municipal taxes and everything—

Hon. Mr. Wishart: There was no difficulty in the matter. We did not have to expend any effort to accomplish it. Let me say that.

Mr. Martel: The final point, I would just like to get back momentarily though, to the altering of the site. I agree with the Attorney General that we cannot stop the whole production of a huge corporation like INCO, or any other plant for that matter, but I have seen pictures, Mr. Attorney General through you, Mr. Chairman, where cement work and everything has been done to improve the site prior to the investigation being conducted, and I think this is wrong. I find you start production again, but to do cement work and make repairs and so on prior to the investigation being conducted, surely it must be wrong.

Hon. Mr. Wishart: No it is not wrong. I mean the hon. member is drawing an implication, because a company where the man who was employed took steps to improve a situation so that a fatality or an injury would not occur again, that this is wrong. No, industry must go on. He agrees what me on that. Now, should it not be a sensible thing to say well, if this was the cause—if this piece of equipment was not strong enough, or not properly placed—let us correct it so that we will not have another accident tomorrow, but, as I say, the evidence of how the situation was, and of how it existed at the time the fatality occurred; that can be given, and should be given, in evidence, but to say—"Oh you must not fix it—carry on your business, but do not fix it until the inquest is held a month from now, or three weeks from now", would be inviting another disaster.

Mr. Martel: I am not suggesting until the inquest is held. I am saying until the investigation is completed and this is where I am drawing the line, Mr. Chairman.

Mr. Shulman: Mr. Chairman, I would like to pursue one matter in which the Attorney General has made some intriguing comments, the question of lawyers cross-examining at inquests.

His comment in reply to the member for Sudbury East, on this particular matter was: "Nothing improper in this particular coroner's actions," and certainly people could not, at will, be allowed questions, even through counsel.

The thing that intrigues me about this is that it is in direct contradiction to written instructions sent out—written advice, pardon me—sent out by the supervising coroner of Ontario. I presume that there is some contact between these two gentlemen. The supervising coroner of Ontario sent a letter out to all coroners in this province, advising them that any interested parties should be allowed, either in person or through counsel, to question witnesses.

Of course, this was not done at this inquest. Let me say, to begin with, this should not be advice. It should be instruction. I am sure the Attorney General knows that. It should be in the legislation. It is not. I trust that before too many of these sessions have to be gone through at an annual rate, it will go into the legislation. But in any case, here the supervising coroner sends out one set of advice which is not followed for whatever reason, not only in Sudbury, but right here in Toronto. It is not followed and the supervising coroner's advice does not spread too far from his office, or, at least, it is not followed too far from his office and then, we have the Attorney General getting up and literally disagreeing with it.

I would like to ask the Attorney General what are his views? Should interested parties be allowed to cross-examine and question witnesses in person and/or through counsel?

Hon. Mr. Wishart: Mr. Chairman, I would like to know if the hon. member has completed his remarks on this matter?

Mr. Shulman: I have completed my remarks on this matter. There are one or two other matters under this vote.

Hon. Mr. Wishart: I would like to hear the rest before I answer.

Mr. Shulman: Does the Attorney General not intend to answer that question?

Hon. Mr. Wishart: I will answer when the hon. member has completed his comments on the matter of coroners.

Mr. Shulman: All right. If the Attorney General does not wish to answer that question, I will go on to another matter. Now, I am going to talk about the Attorney General.

There is just a little difference, Mr. Chairman, between the Attorney General's attitude as expressed today where he says he agrees with the objectives of preventing similar deaths, and his attitude when it comes down to specific cases.

We had a case brought up here, in the Legislature, a month ago involving another mock inquest. This one was held in Kirkland Lake. The Attorney General did not see anything wrong with this inquest at all. I asked him to investigate it. I asked him to upset it, but there was nothing wrong.

Well what happened at that inquest? A boy died as a result of a series of errors, many of them medical errors, and who turns out to be the coroner conducting the inquest? Why, one of the doctors who was treating that boy, who was involved in the medical errors before his death. He is the coroner.

Who is the chief witness? The man who is in charge of that treatment, the man who was in charge of the errors who turns out to be the coroner's partner.

The Attorney General does not see anything wrong with this. He defended this here in the House.

Now what happened at that inquest? Well, the doctors admitted a series of errors were involved. The coroner, his name was Doctor Gibbon. I will just quote here from the Kirkland Lake paper:

> Several times during the enquiry Doctor Gibbon referred to his close connection with the case. In his summary of the evidence he concluded: "It is hard to be objective because I knew every inch of the steps that were taken."

Mr. J. R. Breithaupt (Kitchener): Just like Mr. Callaghan.

Mr. Shulman: Mr. Callaghan, as far as I know in reply to the interjection is not personally involved in this particular matter that he is looking into. The obvious difference was that Mr. Callaghan is not in charge at his enquiry. This coroner was.

Mr. MacDonald: Hear hear. Two very vital points.

Mr. Shulman: So the coroner admits it is hard to be objective. The Attorney General does not think there is anything wrong with that. Now, were all the facts brought out at the inquest?

One would think that a coroner in such an awkward position would lean over backwards to make sure that all the facts were brought out, at least to avoid the thought in the minds of some suspicious people that things were being covered up. So, did he bring all the facts out? Well, again I quote the coroner, after the inquest:

> Later he remarked that several things had not come out in the inquiry, but they were "not important."

Well, did the Attorney General think there was something wrong that some of the matters were not brought out in the enquiry? No, the Attorney General did not think anything was wrong with that either. He defended it here in the House.

What about the chief coroner of this province? What did he think about it? Well, the lawyer who was acting for the family was a little upset that this mock inquest was being held. He asked for a recess and he conferred with the coroner. Mr. Spence Stewart, the lawyer, said.

> The question has been raised as to whether Doctor Gibbon could act as coroner on anything he has something to do with.

This had been taken up with the chief coroner when he happened to be visiting the area and he had said it was all right so long as Doctor Gibbon acted impartially.

The mental logic behind this is quite intriguing. I would like to suggest that we follow along on this particular field of thought, that inasmuch as there has been some criticism of another inquiry that is coming up shortly, if we should follow the same method, I would like to suggest to the Attorney General that Mr. Fred Bannon be put in

charge of this enquiry. Exactly the same situation.

You put a man in charge who is to look into his own conduct and you find nothing wrong with this and you are not surprised when the result comes out, nothing wrong there at all. He just died because of a few little mistakes.

I am not criticizing this coroner particularly, I am not even criticizing the supervising coroner particularly. I do not think they have the background to understand anything was wrong. I am criticizing the Attorney General, because with his experience and his background, surely he realized that this was not a proper inquest. It was not an honest inquest. It was a mock joke, nothing more and nothing less.

It is the same as with the magistrates. When we bring something to the Attorney General's attention here in the House which is obviously wrong, it is obvious to everyone here, it is obvious to every member of the public who reads the facts, we do not expect the Attorney General to get up and defend the indefensible. It is his function when something like this occurs to get up and say, "It was wrong, I will see it will not happen again, I will order a new inquest. I will see that the coroner and supervising coroner are properly instructed."

But what does he do? He gets up and he says "Nothing wrong here, there is no reason in the world why that coroner should not have conducted the inquest, after all he was not the chief doctor in charge. He was only one of the consultants. The chief doctor was just his partner. Nothing wrong with that at all."

This is the mental logic of the chief law officer of this province. It is a disgrace and you are a disgrace.

Hon. Mr. Wishart: I expected that.

Mr. Shulman: Well, worse is to come. Before I go on to other matters, if the Attorney General or any other person intends to make any comment on those matters I will sit down for a moment.

Hon. Mr. Wishart: If the hon. member is through on this subject of coroners?

Mr. Shulman: I am through on this subject. But I am going to go on to other subjects, under this vote, if there is no one else who wishes to participate in the debate.

Well, let us go on to another subject, the waste of money. On numerous occasions in this House I have got up to discuss this government's waste of money. I must say it varies from department to department. Some of the departments excel in wasting money, but most of them care sufficiently that when something is pointed out as wrong they have enough sense to do something about it.

This, unfortunately, does not apply to this department. I do not want to go into the matters raised at the Royal enquiry because that would take some lengthy time, with one exception, and that refers to waste of money, because this matter has now been brought up over a period of three years and absolutely nothing has been done.

The problem arises in that every body which is to be cremated must have a certificate signed by a coroner—quite properly, I would say. However, some 25 per cent of these cremations have already had another certificate signed by a coroner, and to send another coroner or the same coroner out to sign another piece of paper in a death which has already been investigated, is to my mind, and I think perhaps even to Judge Parker's mind, a waste of money.

The good judge minimized the amount of money involved; the good deputy assistant Attorney General explained, it was not "public" money, it was the public's money, and he is quite right. It is only the public's money that is being wasted, but it is sheer waste. The amount is growing every year because the number of cremations are growing at a great rate in this province.

When it was first drawn to the Attorney General's attention, it was obvious that this had occurred through an oversight, a mistake, when they brought down the legislation, which is understandable—no one can criticize that. But they have now had three years in which to change this.

More recently in the last year and a half, or two years, there has been another form of waste. They have a new type of certificate that has to be signed for shipping bodies out of the country. Once again, there is nothing wrong with the legislation *per se,* but they made an oversight, and the oversight involved requiring a certificate to be signed when a coroner's investigation had already occurred and another certificate had to be signed.

The solution is very simple. You merely need an amendment to your Coroners Act and your Cemeteries Act, saying, very simply, "any case which has already been investigated and a certificate signed by a coroner

is exempted from this section." Simple legislation—one would have thought we would have seen it, at least at the beginning of this session, after everything that was said at the Royal commission on this particular subject, which was not disputed. This was one matter that was not disputed. The only thing disputed was the amount of money that was being wasted.

So, for goodness sake, Mr. Chairman, the Attorney General should put his people to work and bring in the amendment. There is no need to continue this way, it is just foolish.

Before I go on to another matter I will sit down and see if the Attorney General or any other member of the House wishes to participate in this debate.

An hon. member: He is worn out.

Mr. Shulman: Not for a while yet.

Well, if no one else wishes to participate in the debate, I will go on.

What I would like to talk about is the firing of coroners—a matter of which I have some small knowledge.

Coroners, according to the member for Sudbury, are not judicial officers. I am not going to argue the technicality of that, although if they are not, they should be, I think, because they are carrying out a judicial function, and a function in many ways far more important than that of magistrates, because the coroners deal in life and death while the magistrate is dealing with liberty and money. Very important matters on both sides but may I suggest that life and death is equally as important, if not more important.

Coroners should not be a political creature present at the whim—"at the pleasure", I believe the word is in the Act—at the pleasure of the government. If a coroner is to properly carry out his function without interference—and we have had the Attorney General here in the last 48 hours talking about how important it is that he should not interefere with the judiciary, with the magistrates, even if they make a mistake. Here we have a situation where the Attorney General does not feel the same compunction—as far as coroners go, if they do something he disagrees with—out they go.

They are not even entitled to a hearing. In my particular case, I screamed loud and long and I got a hearing. I do not believe I got a fair hearing, but I got a very long hearing. I have no personal complaint, but I have complaints about the system in reference to other coroners. As the situation now stands today, if some coroner anywhere in this province should happen to make a decision with which the Attorney General disagrees, for whatever reason, without any hearing he can send him a letter signed by the Lieutenant-Governor in council—"Out". He is not entitled to a hearing.

If there is a great deal of public outcry or if, in the kindness of the Attorney General's heart, he decides to order a Royal commission, or to have someone look into the matter, maybe he will get a hearing. But may I suggest to you, Mr. Chairman, that this is not the proper way?

If a coroner is to be thrown out, he should be entitled to a hearing and the mechanism is already there, so you do not even need any new legislation. There is a board called the public service grievance board, which, if one reads ordinary English, should cover matters of this type. There are regulations—I am sorry I do not have the Act here in front of me—but there are regulations covering public servants and there are regulations covering employees of the government who are not civil servants.

Rather innocently I went to the public service grievance board and asked for a hearing as to whether I had been properly fired. I mention this only—it is quite irrelevant now—I mention it only in relation to the future, so that other coroners in a similar situation should get a little more sensible treatment.

The public service grievance board did not hear my case. The reason they did not hear my case was very simple. The Attorney General wrote them a letter and he said, "The public service grievance board can only hear people who are involved in public service." I would have thought I was in the public service, but apparently I was not—at least, the Attorney General said I was not.

I came to the board and I said, "I would like you to hear my case because I am in the public service," and he said, "Oh no, you were not appointed under any of the Acts related to public service. You were appointed under The Coroners Act, therefore you are not entitled to a hearing; no other coroner is entitled to a hearing. If we fire them, that will teach them. They will keep quiet."

Well, he is right. That will teach them and they do keep quiet, even the bravest of them. But it is wrong, and I say to you, sir, and

through you to the Attorney General, that the stand he took in front of the public service grievance board was wrong. And I invite him to reconsider the stand he took at that time. We know why he took that stand. It would have been terribly embarrassing if the public service grievance board had decided this particular coroner was fired improperly. Understanding it, I still cannot tolerate it, because he is wrong.

Without being retroactive, which I am not asking for, but for the future, I am asking him if he finds it necessary at some future time to discharge a coroner, I would suggest to him, and I ask him to put it on the record, that if such a matter should come up, and if the coroner feels he has been unjustly discharged, and if that coroner asks for a hearing in front of the public service grievance board, the Attorney General stand up like a man and go and present his case in front of the public service grievance board.

It is not a public hearing, it is a private hearing. It is not going to be in the newspapers. Let him present his case there and, if he is right, he will be sustained by the board and that is the end of it. But if he is wrong, he should not want to be sustained, he should want to admit his error. For him to refuse to defend himself, to refuse to defend the stand he takes in front of the public service grievance board is not worthy of even this government.

Before I go on to some other matter I will sit down in case some other members of the House should wish to particpate in this debate.

Mr. Chairman, I will carry on then.

I would like to turn my attention to the supervising coroner of Ontario. I am delighted to see he is here today. I hope he is learning something which may be of value to him in instructions which are sent out to coroners from time to time. I do not wish to go into detail, into the job he is doing. I am sure we are all aware of the quality of that work. I just wish to raise one particular matter, because it is wrong and it should be changed now, and this particular matter involves cremations.

The purpose of a cremation certificate, Mr. Chairman, is to ensure that before any body is cremated, destroyed, a proper investigation is made by some person who is not involved in any way to ensure that, at no time in the future, may that body be needed for further investigation, in case of possible homicide or any other reason because once you sign that cremation certificate, once the body is destroyed, that is it. You are not going to find out anything from that body.

So, when I was appointed chief coroner, the first reform I made was to ensure that cremations were properly investigated. The coroners were assigned to do this investigation in rotation.

The old system, I may point out, was another mock, another parody. It was a situation where two or three men had cornered this particular business and they would go out and without even examining bodies, or often without even seeing the certificates, they would sign cremation certificates and bodies would be destroyed. They would often sign them wholesale.

Some rather senior members of the department were signing cremation certificates without seeing either the body or the death certificate, or making a proper investigation.

Well I cleaned that up—almost. There was one little part that was not cleaned up as of April, 1967, and that was a matter that one of the crematoria did not approve of the delay that took place in cremations. It might take as much as half a day or even longer before a coroner completed his investigation or signed the certificate, and so the crematorium got in the habit of calling the supervising coroner and he would come up and assist them.

This was wrong, and I had hoped after everything that was said at the Parker commission—regardless of what Judge Parker thought of it—that the supervising coroner would have stopped this particular practice because there are certain cremations he had to sign for.

Those are ones where the death took place outside of the jurisdiction. But cremations occurring with the jurisdiction should have been handled the way they were handled in my office, by giving them to coroners in turn. No coroner knew what case he was going on; no funeral director knew who the coroner was that was coming out. In this way we were sure of an independent and complete investigation.

Well, last week I went down to inspect the records of cremations that have taken place in the last three months and to my dismay, to my amazement actually—I find that some people just do not learn—the supervising coroner is still going out and signing cremation certificates.

Hon. Mr. Wishart: Is there anything wrong with that?

Mr. Shulman: Yes there is something wrong with that. First of all, if he is doing it in order to make the extra $10, may I suggest to the Attorney General, raise the salaries, give him enough money so he does not have to participate in this particular venture. I believe he is paid some twenty odd thousand dollars. If he needs more, give him more.

I do not argue about the importance of the job, it is a terribly important job. It deserves top pay. But do not have him going out trying to pick up the odd extra ten dollars here and there and interrupting the system. I do not question the particular cases he has signed. I do not think he is a bad man. I think mainly, he is a particularly stupid man, but he is not a bad man—

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): On a point of order, Mr. Chairman, is it desirable in this House to make insinuations about a man's character in the manner that it is being done? I think it is quite proper to raise the principles of the matter or procedures involved, but not to go into the question of insinuations which have to do with a man's motives or his own character or, indeed, his professional ability. I think the facts, in parliamentary procedure, is to deal with facts alone and let the conclusions then be obvious.

Mr. Shulman: Mr. Chairman, to continue. Are you going to rule on the point of order or shall I go on?

Mr. Chairman: Well, I think you should keep your personal attack to a minimum please.

Mr. Shulman: I will be glad to keep my personal attack to a minimum. Up to this point I have kept my personal attack to a minimum. The point which I am raising, and I will stress it again, is that cremations should be handled all in the same way by rotation by the coroners in that form, and this will prevent possible future abuses. This matter was raised with the Attorney General while I was the chief coroner, it was raised at the Parker Royal commission, and it obviously has not changed.

Let me again say to the Attorney General that for whatever reason—and I have no hesitation in repeating what I said before—if it is financial, give him more money, and that is not a personal attack. For whatever reason, it is wrong. I would suggest to the Attorney General that he see that it does not continue.

One other matter I would like to ask the Attorney General about. I am rather intrigued by the duties of Dr. Cruickshank—I understand he is a consultant. I was rather amused to see that his salary is set considerably higher than the salary which I received as chief coroner. I understand he is carrying out some of my functions, so it makes me begin to realize what I was really worth in that job and I get some amusement out of that.

But I would like the Attorney General, when he gets around to getting up on his feet to answer, what are the functions of Dr. Cruickshank? If he is carrying out a portion of my functions I am curious to know what they were and why they are worth $15,000 a year.

Now, one other matter. In recent months we have seen another change of policy at the coroner's office, and this relates to people who are taken to hospital because they were ill, are examined in the hospital, told they are not ill, sent home, and proceed to die on the way home. It appears to me that this is an unusual occurrence, an occurrence worthy of some investigation. I am sure if I were a member of the family of such a person I would be extremely disturbed.

It is not good enough to say it is just one of those things that happens every now and again. It does happen every now and again, sometimes through no fault of any person involved. Sometimes, the doctor just cannot tell what is happening.

But sometimes it does occur through fault. Sometimes someone is negligent in that hospital or callous or careless, and in every death which occurs under those circumstances there should be an inquest.

There are two reasons for that inquest. One is to find out if someone was negligent and to make sure they are not negligent in the future. The second reason is to satisfy the family and the public.

It had been the policy for the past four years, up until a few months ago, in every death of this nature to hold an inquest because common sense says an inquest should be held. Well, you cannot always rely on common sense in this particular department, unfortunately, and now we do not have that policy. Sometimes we hold inquests, particularly if there is a big fuss. Sometimes, we do not hold inquests.

A man named Donnelly, was taken to the hospital a few weeks ago in this city. They told him he was fine, "go on home". He went home and died. I said to the Attorney General, "Will you hold an inquest"?

"No, I will not hold an inquest, I am not going to interfere with the coroner"—that is what he said. "I am not going to interfere with the coroner". The coroner decided there should not be an inquest.

Hon. Mr. Wishart: That is what you said I should do—not interfere—

Mr. Shulman: I am trying to equate your views here. Let me say, what I said was that you should not fire them. You say it is all right to fire them, but we should not interfere with them. The Attorney General's views change from moment to moment. He has said coroners are not judicial officers, perfectly all right to throw them out if we do not agree with them, but we must not interfere with their decisions, even if they are wrong. He is consistent there, at least. He said the same thing about the magistrates—"Must not interfere with their decisions, even if they are wrong"—and he was wrong, this coroner, and the Attorney General was wrong, and the principle is wrong. What I am asking him to do today, is reflect on his wrong decision. I am not asking him now to hold an inquest into the Donnelly case which is now past. What I am asking him to do is to reflect on his wrong decision and to confer with his supervising coroner and gently pass the word down to the coroners.

If someone dies under these strange circumstances, for goodness sake hold an inquest, because if you do not, if for no other reason you are going to be badgered again next year on all of these cases. So I would suggest that will be sufficient reason if justice and common sense is not enough.

Now let us go on to another matter, although if there is anyone else who wishes, I will take my seat.

Interjections by hon. members.

Mr. Shulman: The gentlemen who are speaking, Mr. Chairman. Do any of them wish to participate in the debate? If so, I would be glad to yield the floor to them, otherwise—

Mr. Chairman: I do not think so. They have not addressed the chair.

Mr. Shulman: Thank you, Mr. Chairman. Well let us continue to another matter. This is the matter of taking dead people to the hospitals. Sort of an odd thing one would think. One would not think that one would want to take dead people to hospitals, unless you are going to try and bring them back perhaps.

Hon. M. B. Dymond (Minister of Health): Did you ever hear of cardiac massage?

Mr. Shulman: Yes, but when they are dead three weeks, cardiac massage is of not very much use.

Mr. G. A. Kerr (Halton West): Name a case like that.

Hon. Mr. Dymond: Rigor mortis has set in.

Mr. Shulman: We have a rule here in this city, unless it has been changed and we have not heard about it, that the dead are to go to the hospitals to make sure. The reason this rule was brought in was because a coroner made a mistake one day—and it is an understandable mistake, let me say. It can occur, in rare circumstances, that it is difficult to tell whether someone is dead or alive.

There can be circumstances like that. Not common ones, thank goodness, but it can occur, and this coroner made a mistake and I do not condemn him too seriously. He made a mistake and any of us can make a mistake. The person decided to come back to life and by strange coincidence, this lady happened to be in the family of one of my campaign workers, so I am rather familiar with the details. The coroner had left a death certificate which makes a lovely souvenir, incidentally, for that lady. But anyway she came back to life and she was taken to the hospital and she recovered and she is quite well.

I understand as a result of this, and in haste, and without thinking, I am sure without thinking, the acting chief coroner of this city brought in a new rule. Coroners must not pronounce anyone dead. If a coroner is called and they have not been pronounced dead by another doctor, the person must be taken to the hospital, to have certain tests done, I presume. I believe you mentioned electro-cardiography. Well unforunately, he made a blanket rule. I can understand why he made the blanket rule. He panicked, and he did not think, and he rushed to make this rule to protect the coroners, which certainly protects them.

Unfortunately this lets some rather funny things happen. The week after this occurred, there was a decapitation. The coroner was called to the street where it occurred and unfortunately he was not allowed to pronounce death. The head was off, mind you

and no other doctor had arrived as yet. The emergency ambulance was there. The coroner said "I cannot pronounce death, off to the hospital", so they picked up the head. One man picked up the head and other two men picked up the body and off they rushed to the hospital and they took the parts in and the intern said "yes he is dead". The coroner followed on behind, did what was necessary, and ordered the body down for a post-mortem.

May I suggest that this type of ridiculous situation—and it is a ridiculous situation—in addition to being stupid, is a health hazard. We had another case where a man was dead. for a considerable time, had reached the point where heart massage was not going to be of much value because decomposition of the body had set in. The coroner was called and unfortunately coroners are not competent, apparently, according to the acting supervising coroner, to pronounce death and he said "Well I cannot pronounce death because there has been no doctor here."

It is pretty hard to get doctors to come out when you tell them there has been a body dead for a couple of weeks and you want them to come out and pronounce them dead. The doctors are likely to laugh at you, so it is pretty hard, under those circumstances, to get another doctor to come out. So what do you do? You take the body in all ambulance to the hospital. This is a health hazard. You do not want decomposing bodies going to hospitals because they are going to bring in disease.

So, I ask the Attorney General, if a coroner is not competent to pronounce death, who is? If a coroner is not competent to pronounce death, why is a junior intern with a little less experience, competent to pronounce death? So I say to the Attorney General, reflect, ask your supervising coroner to reflect, ask the acting chief coroner to reflect, perhaps they made an unwise decision and ask them, for goodness sake, to rescind this stupid rule.

A coroner has enough common sense, one would hope, that if he has some doubt he will send the person to the hospital. If he has no doubt there is no reason to call in another doctor. There is no reason to send the body to the hospital. A little common sense, please Mr. Attorney General. Now, unless there is someone else who wishes to participate in this debate I will go on to another matter.

Mr. Kerr: Rave on.

Mr. J. Jessiman (Fort William): We will bring in sandwiches.

Mr. Shulman: This is the matter of the coroner's office and research. I must confess, I will have to withdraw something I said earlier in the session. When I first came here and made my maiden speech one of the matters I referred to was the matter in which Dr. Porter was doing research into automobile deaths. The Attorney General, I stated at that time, had told the House that this work was continuing, and I pointed out that it was not correct, and I asked for his resignation. I want to withdraw that request for his resignation because since I have had an opportunity to make my maiden speech, I have had a further opportunity to see the other material, i.e., the other country lawyers that are available on the Conservative side. I think now it would be a great disaster if the Attorney General were to resign, so I ask him to stay there and try to improve himself.

Now to go on to the matter of research at the coroner's office. We have launched a very massive programme of research over a period of four years with some very excellent results and if there is any one thing that I am proud of at the coroner's office, it is the research work that was done at the coroner's office. That research work was passed on, in the field of automobile injuries to the Ford Motor Company in the United States. There are some rather delightful letters from them, indicating the work that was done with it. We were involved, unfortunately just at the time of my dismissal, in arranging a crucially-important piece of research which they have not been able to arrange anywhere else in North America. They were prepared to put in a very large sum of money to complete this work.

To do this work involved putting dead bodies in automobiles and smashing those automobiles. Because the real problem with research in automobile deaths is that you cannot do it. You cannot take a volunteer and smash him up. So you do one of two things. You either use an ape, or some other animal, and unfortunately there is no other animal which physically is just like the human being, so this research is not quite accurate, or you use a cadaver, and they were able to get cadavers, but unfortunately they were old cadavers. The only cadavers that were available were from medical schools, and they had been pickled for some time, and when you pickle somebody—with few exceptions, may I say—the body

changes considerably, the bones change and tissues change, we have—

Interjections by hon. members.

Mr. Shulman: Like a gherkin, is that what you call it? Gherkin. As the member for Lakeshore has pointed out we have seen this happen in front of our eyes.

Research of this type is not fruitful. It is not accurate, because, unfortunately, once a body becomes brittle and you smash it up, it smashes, it shatters, and so you get funny results, so the various auto companies have done research with old cadavers, over the past ten years, but they do not know if their research is accurate, in fact they are pretty darn sure it is not accurate.

I had an idea. I got together with the research director at Ford's, and I said: "I think, in fact I know, from our previous research work here, that I can get permission from families of newly deceased to allow them to assist other people. We will ask those families if we may put the bodies in automobiles and smash up those automobiles." I was very excited about this. I felt this was probably going to be one of the most important pieces of work we had done—I am sorry we are losing the Attorney General.

And the Ford Motor Company was very excited about this. They were going to set up a special laboratory and bring it to Toronto. They were prepared to invest a very large sum of money, because this would have been of tremendous value.

Well, it has been dropped—gone. The Attorney General's Department basically, does not feel that research is a proper project of the coroner's office. In fact, I have a letter from them saying that they do not think I am legally in the right in doing any of the research.

What was the research? First of all, none of it was done without the permission of the next of kin. When we had a body we would ask for written permission to carry out the research which we felt would be valuable. We never proceeded without such permission. We found that most people were quite happy to give this permission. They were glad to see that the bodies of their loved one could help some living person, and the work led to unbelievably delightful results.

There were new discoveries in the field of diabetes, there was new discoveries in numerous endocrine diseases. We assisted research teams at the Banting institute; at the General hospital; at the Western hospital; at St. Joseph's hospital; at St. Michael's hospital; in areas outside of this city. The research that developed was published and was distributed all over the western world. I ask the Attorney General what research projects are going on at the present time? Why do you continue to have the attitude that, if we do research, it must be only as a side venture—something that must not really be given priority? In fact, the Attorney General thinks there is grave doubt whether the coroner can do research at all. This is a terribly important thing.

Why in the world do we not have the results of the auto death project which was well under way in April of 1967? It should have been completed by now. It should have been published by now. Where is it? It is not, and I charge the Attorney General that he has made a serious error. His attitude is wrong. He is short-sighted. He is showing a complete lack of feeling for what can be produced. This can be of value, not just locally, but everywhere.

Here in Toronto, we had a unique opportunity—perhaps unique in all of North America—for doing this type of work, because we were getting a large number of autopsies in one place. We had the facilities to do the research work, the chemical work, in the numerous hospitals, the Banting institute, in this city. This was work which, because of lack of facilities, lack of bodies, or religious laws in other parts of the world, could not be done. It was producing tremendous results.

I ask the Attorney General if he has some research projects going now—there were some eight going at the time I left. If he has some going now, I would like to know what they are.

I would like to ask him about Dr. Porter and the automobile research project. At what stage is that project? When can we expect Dr. Porter to publish his results? If the project has gone, ask him why and ask him to reflect. Perhaps he has made a mistake, and perhaps he should reconsider, and start that project going again, and the other projects which were of so much value.

Mr. Chairman, I am going to sit down. The Attorney General has said that he is not going to make any comment until I am finished. I am finished at the moment, but I may have some more to say.

Mr. Chairman: I would suggest to the member for High Park that the Attorney General has indicated that he will consider replies when the member has completed his remarks on this particular portion.

Mr. Shulman: Mr. Chairman, may I point out that the rules of this House do not say anything of the sort? If the Attorney General wishes to speak, he may. I may then bring on some other matter. If he does not wish to speak, that is his privilege.

Mr. Chairman: Does the Attorney General care to make any comments?

Hon. Mr. Wishart: Mr. Chairman, I feel that two hours of the time of the House has been wasted by these wild allegations. I will certainly not take long, because many of the things do not deserve either comment or response. One or two of the points, perhaps, should be dealt with.

I was interested to hear the member for High Park say that if there had been an enquiry into the matter of his grievance that would have been the end of it. Well, we had an enquiry at great length into many similar types of allegations, and that does not seem to have been the end of it at all. However, it was quite apparent that he had no right to a hearing or a grievance hearing, on this discharge.

As to the matter of the evidence before a coroner's inquest, I should like to speak briefly, because that is a matter of importance. I would like to say that I agree with the direction set forth in a letter from the chief coroner to the supervising coroner for Ontario. I think it was clear, proper and correct, and although the hon. member tried to make out that I had a different attitude, I agree with him.

On that point, I note also Mr. McRuer's recommendations, that he sets forth on page 497 of his volume I: "Regulations should provide that persons who, in the opinion of the presiding officer, are substantially and directly interested, could have full right to appear by counsel and to call, examine and cross-examine witnesses with discretion in the presiding officer to limit these rights where it appears they are vexatiously exercised or beyond what is reasonably necessary." That is a very carefully worded recommendation and, as I have pointed out, we are studying the recommendations of Mr. McRuer with a view to implementing them in this field, as in many others.

The waste of money I think is a negligible matter. I could see nothing there to comment upon. The estimates of this department are not large. The increase is $58,000, made up of the annual increase in salaries, which is $45,000, and maintenance, $12,500. Travelling expenses are very considerably reduced from the previous year.

On the question of certificates of the bodies of persons who are cremated and then shipped out of the country. Surely the hon. member can understand that there is need for special precaution in such cases? Part of the area of the Attorney General's office extends into police work and all I need to say is that, in the matter where bodies are cremated, particularly in border areas, and then shipped out of the country, there is another area of concern of which we are well aware. I am not going to say more than that.

His attack on the supervising coroner I thought was disgraceful. To imply that it was wrong because the supervising coroner took it upon himself, in what the hon. member said is an important area of concern—that is, the certificate for persons who are cremated—because the supervising coroner made it his concern to see that these matters come to his personal attention and he signs the certificates. To say that is an indication of cupidity or greed, I thought was a disgraceful thing, particularly, because a civil servant has no right, no opportunity, to stand up in this House and make any defence. I just mention it in passing, to say that I think that is typical of the conduct of the hon. member, which I deplore.

The other point which the hon. member raised I do not propose to comment on. Just one other thing, I have a note that Dr. Porter's project was extended to include the whole province. It was a local project on testing with relation to traffic research and it has been extended to include the whole province. That study is going on.

Mr. Chairman: Office of the supervising coroner, the member for Humber.

Mr. G. Ben (Humber): Mr. Chairman, for a long time I have thought that we ought to do away with the whole system of coroners. It is rather an archaic system which originally arose to determine whether a person had died at the hands of a King, or had died a natural death, or had died accidentally.

I do not know how we evolved to the hodge-podge it is now, but it is certainly

becoming of questionable worth and value. Some of the decisions that one gets out of these juries are absolutely ridiculous.

I attended one coroner's jury—I even took the trouble to get a copy of the transcript through the department. In this particular instance a truck driver had been killed. He had parked his truck on a shoulder. The truck, according to the evidence, was parked at least two feet on the shoulder. I sat there listening to the evidence.

One man testified that he looked in his rear-view mirror and he saw a body flying through the air. The driver of the station wagon which had struck this individual said that when he first saw the man who was killed he was walking behind the truck from the right hand side to the left. Now behind the truck would be as he was was approaching him.

The OPP constable who gave evidence said that this was a truck that was carrying a load which had been held down by chain locks. One chain lock was locked, the other was open and the policeman testified that in his opinion, by the markings on the side of the truck, the victim had been standing up on his load, locking the second chain when his truck was side-swiped and he was swept off and hurled about 75 feet.

The jury came back, but I was not there. I did not hear about the recommendation until after I left, but I was amazed to read in the newspaper that the verdict of the jury was that the victim had got out of his truck on the wrong side, when there was not a tittle of evidence to indicate from which side the victim had dismounted his truck, which as I say, was parked safely on the shoulder provided by The Department of Highways, at least two feet in. Then they brought another recommendation about the acceleration strips. Nothing to do with the death at all.

Then there was the verdict that was brought back with reference to the hon. member for York South.

There is the one down at Prudhomme's where the coroner tried to compel a jury to bring in a recommendation that the watchman had lost his life because Prudhomme's had not followed certain rules and regulations. The mere fact that the watchman could have lost his life because he ran into a burning building, perhaps to save something or to rouse the inhabitants, completely destroys that argument. Still, the coroner felt obliged that he must compel the jury to bring back a verdict—a recommendation of some kind.

As I say, they are absolutely asinine some of these recommendations that have been coming out lately. All they they are supposed to determine is if the man died from natural causes or accidental causes, or if the man was murdered. This is the function of the jury and always has been the function of a jury.

The truth of the matter is that the whole system is archaic, as I say. In our courts of law if the evidence which will be adduced is of a technical nature, the judge will dismiss the jury on the grounds that they are incapable of weighing the evidence as put before them, that they are incapable of understanding all the technical terms and technical matters that are brought before them.

Have you ever heard of a coroner dismissing a coroner's jury on the grounds that the evidence which is to be adduced is too technical for them to understand? In most cases, the only one that does understand the evidence being adduced is the coroner himself.

I think perhaps it is time that we went into the system of medical examiners where a judge could sit or a magistrate could sit as the coroner, and then a medical practitioner would have to come before a judge—who does not understand medicine—and he would have to reduce his evidence to language that could be understood by a layman, and then perhaps we could understand what it was all about because we are all laymen.

As it is, the doctor goes in, gives evidence which the jury must weigh and yet, the only person who understands this evidence is the coroner himself. To me this is absolutely ridiculous.

The time, I think, has come where we ought to have a medical examiner whose job would be to carry out an autopsy of everyone who did not die in a hospital in the attendance of a physician who would then sign a death certificate. Too many lives can be taken by several poisons that are too easily available these days.

I received a letter here and one clause appealed to me. It had to do with wire tapping and stuff, this writer says: "There are no Queensbury rules among criminals," which means nowadays they are keeping pretty well ahead of the police, and they can use any kind of insidious means to do away

with somebody if they want to dispose of him.

Certain recommendations have come down from these coroners' juries, but is that alone a reason for justifying the existence of the coroners' juries? The only time these juries ever do bring down a recommendation is when somebody has been killed. Surely, we ought to have a system where recommendations are continuously coming down for the betterment of the surroundings in which we live without people having to die.

Why can we not have an ombudsman jury, or a continuously sitting grand jury, whose job or function would be to continuously roam through the community and discover things that are not up to standard, conditions that are dangerous, situations that must be corrected? Why do we have to wait until somebody is killed, or hurt before any action is taken?

There are always recommendations coming down from many sources which are not heeded until somebody is killed. Then they go overboard, way beyond what is necessary, to correct the situation. Mr. Chairman my recommendation to the Attorney General is that the coroner's jury be done away with, and that using doctors as coroners be done away with. I suggest that we use doctors as medical examiners, whose job would be to perform an autopsy on everyone who dies to determine the cause of death. The cause of medical science might profit immensely from being able to perform all these autopsies.

I would also suggest that doctors should have to give their evidence in the enquiry to laymen rather than medical practitioners, so that they would have to speak in terms and language which would be understandable by the layman.

As far as these recommendations are concerned, I think they are for the birds. As I say, we ought to have a system of a continuously sitting grand jury, or omudsmen's jury which would sit 365 days of the year—or be in existence at least—and working most of the that time—going to the community and trying to find out what is wrong and correcting it. That way, I think we would get a lot further.

Mr. Chairman: Does the Attorney General have any comment?

The member for High Park.

Mr. Shulman: Mr. Chairman, before going on, I would like to suggest in reply to the hon. member for Humber that the circumstances were rather unfortunate ones, because if a coroner does his job properly, it is his duty to ensure that doctors do not lapse into a common error that they tend to make in court, and that is talking in technical terms. One of his duties is to ensure that the pathologist or any other doctors who are giving evidence at inquests give it in simple laymen's terms. If the doctor should use the technical term, it is the coroner's job to stop and say: "Doctor, what does that mean?"

It is irrelevant whether he understand it or not. It is certain that the jury should understand it. Also, at the beginning of the inquest, he should tell the jury that if there is something that they do not understand, a technicality, for goodness sake to speak up and ask what it means. If this is happening and juries are being led blindly by the nose, of course it is wrong.

On the other hand, I think that the Attorney General would agree with me, the jury system along with the coroner, is better than the coroner alone, as it acts as a check on a coroner going "wingey", which can happen.

Also, in relation to juries, I would like to make one further comment. This goes back before the Attorney General's time, so I trust that he will not take it too personally. It is extremely important that the juries be chosen impartially, and by chance. This has not always been the system.

My very first conflict with the office of the Attorney General—and, let me repeat, it was not this Attorney General—involved the subway collapse. At that time, an official of The Attorney General's Department phoned me up when I was about to hold the inquest, and said, "I have the list of the men we want on that jury". It started out with Mr. Faludi, because he was the town planner, "and he knew", and so on, down the list. Each person had a special reason to be on the jury. We had a terrible fight at the time because it was my belief, and still is, that the place for experts is in the witness box and not in the jury.

I hope that throughout the province, the Attorney General will ensure that we do not have "packed", or "blue ribbon" juries. This was not the only occasion. In the Hogg's hollow collapse, there was a "blue ribbon", specially-chosen, jury. Goodness knows why. They brought in a terrible verdict. So as far as the jury goes, they will serve their purpose provided they are properly instructed and properly chosen. I think that it is very important that the Attorney General insure that proper instructions are given them, and ensure

that the coroners understand that the technical things must be explained to the jury, and for goodness sake do not "pack" the juries.

Well, now, to go on. I am disturbed that the Attorney General did not see fit to comment on the Englehart situation, where the coroner judged his own work. He felt that this was not one of the items which he wished to comment upon. He also did not answer my questions as to the duties of the consultant employed by the office. He did not make any comment as to whether or not the inquests are going to be held into the death–

Hon. Mr. Wishart: If the hon. member will permit, I answered the Englehart matter fully and I think the hon. member asks questions twice in the House. The other matter that he has just mentioned–I answered as to Dr. Cruickshank's duties–he asked twice about that in the House. I answered it at great length, so I see no reason to comment on it. I would say that I agree with his attitudes on coroners' juries.

Mr. Shulman: Well, I am glad that we have some common ground. Yes, the Attorney General is quite right, I have asked about those matters twice and I have yet to receive an answer which indicates that he appreciates the seriousness of the situation. He still has not interfered with that inquest, and ordered a new inquest. He apparently thinks that it is all right for a coroner to look into his own behaviour, and this to my mind is a very serious and crucial matter, because it is going to come up again, as it has before, in this province. The Attorney General still has not indicated that he is going to insist that it does not occur again. To start with, he should order an inquest into the death of Teddy Trajkewicz. There has not been a proper inquest into that death.

The Attorney General has not indicated whether or not he intends inquests to be held in deaths occurring immediately after discharge, or refusal, from hospitals. He does not indicate whether the ridiculous practice of taking dead bodies to hospitals is to cease. He has not answered my questions as to the research programmes, if any, which are still going on. He did make a comment about Dr. Porter which I found rather intriguing, because I called Dr. Porter at the time that I made my original comments in the House–last April I believe–and I have not phoned him since. But at that time, you may recall that the Attorney General had said, or indicated, that the work was being expanded and Dr. Porter was to carry on. Unfortunately someone had forgotten to tell Dr. Porter.

As of the date that I talked to him, which, as I said, was early in April, he had not received a single iota of the material that the Attorney General referred to from the day which I was discharged. However, I was delighted to hear, that now–and I presume that this must have occurred recently–Dr. Porter's duties had expanded and he is now looking into these cases all over Ontario.

There is only one thing that puzzles me, Mr. Chairman. Dr. Porter's job was to go to the place of the death of the accident immediately after it had happened and examine the automobile, its position, the body and its position, so that, after the post mortem was done, from his personal knowledge of the material facts, he would be able to correlate suggestions which would improve the manufacture of automobiles. I would like to ask the Attorney General how many different localities Dr. Porter has travelled to, to view these particular accidents? I find it rather difficult to see how he traavels to any of them because by the time he got up there, surely the automobile would be scraped up and dragged away. It seems either there is a misunderstanding, or else Dr. Porter's job has been changed somewhat, and instead of which, different coroners across the province are mailing what they are finding in the accidents and he is trying to correlate from that.

This, I may tell the Attorney General, is an absolute and complete waste of time. To begin with, most of these coroners, in fact, all of them outside of Toronto, will not have had the training to know what to look for.

Secondly, you cannot correlate. It is like a research man examining 100 hearts, he knows a certain thing after examining those 100 hearts. If you have 100 different men examining those 100 hearts, and then telling one other, then each man has not learned a darn thing, or very little. So let me suggest to the Attorney General, that I would be very intrigued to find out what Dr. Porter is really doing, and in how many cases has he actually gone out and examined the situation as he was supposed to do? To send him all over the province is sheer nonsense. You have enough of these accidents right here in Toronto to bring forth a proper study, good results, and something the automobile companies can work with.

You have him running all over the province and all you are doing is wasting his time, besides which he is not going to get to the sites in time anyway. Again I would like to ask the Attorney General, if he will deign to comment on this particular matter,

what other research projects, if any, the office is doing at the moment?

Now, some other matters. I made some comments earlier about the public service grievance board and my suggestion that, in future, coroners, if fired, be allowed to appeal to this board, and the Attorney General replied, referring to my own case. I once again apparently did not make it clear, or he missed the point, but I was referring to coroners in the future. Is the Attorney General agreeable that, in future, if a coroner is fired, he should have the opportunity of an appeal to the public service grievance board without the Attorney General's office attempting to prevent such an appeal being heard? And just by-the-by, in case the Attorney General missed the point, the Parker Royal commission was not looking into my firing, they were looking into allegations which I had made about the conduct of the office. They did not look into the matter of my firing, I wish they had.

Another matter: The letter which the supervising coroner sent to all the coroners in the province recommended that interested parties be allowed to cross examine.

The McRuer report has suggested this with the obvious proviso that if the questions are irrelevant or vexatious the coroner can cut them off. Yet this has not been done in the cases we have referred to.

In the case I referred to just last week in Toronto, the person's lawyer was not allowed to put the questions at all. Secondly, the questions were certainly not vexatious. Thirdly, they certainly were pertinent. So, at least here in Toronto why are the coroners not following the direction or the advice which the Attorney General has agreed with, and which the supervising coroner had sent out to all the coroners?

One other thing I would like to point out to you, Mr. Chairman, up until April 8, 1967, it was a direction, not a discretion, it was a direction which had never been challenged by The Attorney General's Department or by any lawyer, or by any interested person, that any interested person at an inquest in this metropolitan area, either in person, or through counsel, would be allowed to cross examine. That direction was written on the coroner's desk in large print. It did not last 24 hours after April 7, 1967, immediately, that night, that direction was removed.

May I suggest to the Attorney General if I, as an individual coroner here in Toronto, was able to put such a direction into effect, I am sure the Attorney General will agree there should be such a right, he could do the same throughout Ontario. It is advised by the supervising coroner, it is not carried out, but it is advised like so many things in this government the talk is great, but the activity is somewhat different. Surely, if one individual coroner could carry this out in this big metropolitan area, the supervising coroner and the Attorney General between them should surely be able to carry such a thing out in this province, and they will not have a complaint from a single person in the province. This I assure them.

We had it going in Toronto for two years. There was not a single complaint, there was not a single abuse.

The Attorney General has pointed out that the waste of money which I mentioned is a negligible matter and there is only a $50,000 increase in this item. Apparently he has missed the point which I made. The increase, the waste, does not show in this item, it is not public funds, it is the public's funds.

He said one thing that disturbed me very much. He said in cremations which are being shipped out of the country—and I am afraid perhaps he misunderstood me — so through you, sir, I was referring to (a) cremations—all cremations; (b) to bodies, not urns, being shipped out of the province, they are two separate matters. With reference to cremation, he said for cremations being shipped out of the province, special care is needed. Of course special care is needed, but I should hope that in every case which a coroner goes to investigate that special care is needed, and that the coroner will give special care to those matters. If he is not giving special care to his investigations there is something very peculiar going on.

Again I point out to the Attorney General that in those cases where a coroner has already investigated — I should hope with reasonable care—there is no need two days later to send a second coroner, or the same coroner to repeat the investigation because in actual fact they do not repeat the investigation. They go out and find that a coroner has already made the investigation. They say, "Fine, I will sign the certificate, ten dollars please."

So it is just waste and duplication. There is no extra work done. There is nothing new done. There should not be anything new done because it has already been done, and if it has not been done there is something extremely odd.

Finally, and I am through, I am sure you will all be delighted to hear, I just wish to stress once again, because I think it is far more important than any of the other matters which are brought up, and it has received no attention from the public or the press or in this Legislature, it is the matter of the research.

You have an unparalleled opportunity in your hands to do work here in Toronto which cannot be done anywhere else in the world for a variety of reasons, and you are not doing it. We did it for four years and we had great things to show as a result of it. I beg you, I request you, humbly, you are a sensible, reasonable man, reconsider this matter, bring this back and if you bring this back I promise I will not bring any of these matters up again.

Hon. Mr. Wishart: Mr. Chairman, I think there is one item I should mention in reply to the remarks. In the Porter research project I should inform him that while that was enlarged, I did not say it was being done by Dr. Porter entirely. It is being carried on now by TIRF which is the traffic injury research foundation, and all the reports from across Ontario are being reviewed by that organization in conjunction with The Department of Transport. It is enlarged in that sense.

Mr. Shulman: That is a different matter entirely.

Hon. Mr. Wishart: It is not a different matter. It is an enlarged enquiry using the same studies.

Mr. Shulman: May I explain? Obviously there has been a misunderstanding, a big misunderstanding. The work Dr. Porter was doing was a job that only one man could do. It was a matter of going to the site of an auto crash and finding what part of the automobile had done what to what organ. A doctor has to do that, preferably a coroner or a pathologist. Nobody else can do that.

To suggest that this is being done is untrue—obviously this is a different matter, because if a number of doctors are doing it it is not going to show the same results.

Every man who has done research in this type of work will agree, and I am sure if you will ask your assistants beside you they will agree. It has to be done by one specialist, one technician, who will see all the automobiles for purposes of comparison.

May I again suggest, of course the TIRF investigation is a good investigation, a practical investigation. It may lead to good results. But it is a different matter. And may I suggest that if, for whatever reason, you do not wish Dr. Porter to do this, assign some other coroner to do it? But get it going again, because it is a very important piece of work and it is not going to cost anything. The automobile companies are willing to finance it, in fact they sent us money to finance it, which I sent back because it was not possible for us to go ahead. But on that note, the note of research, let me again stress this to the Attorney General.

Mr. Chairman: The office of supervising coroner and general inspector of anatomy; agreed to.

Vote 208 agreed to.

On vote 209:

Mr. Chairman: Board of negotiations—the member for Downsview.

Mr. V. M. Singer (Downsview): Mr. Chairman, on vote 209, I think this is the vote where we can discuss matters dealing with expropriation. I do not plan to make any lengthy remarks in this regard, except to express my substantial disappointment that we have not had placed before us a new Expropriation Act governing both principles and the procedures.

I have spoken about this many times in the past and I think the Attorney General is aware of my thinking and the thinking of my colleagues on this matter. We believe that there has to be a more realistic guide written into the statute as to how to determine value. The report of the law reforms committee has made certain recommendations, but we have not as yet heard the government's view in this regard, and I think it is most important that this very serious problem be solved.

It is all very well for the law reform committee to come in with a report and spend a lot of time on it. The report has some merit. I have some criticism about it, but there is no point criticizing in the air over a report that has been produced. We want to hear what the government has decided and what kind of expropriation laws we are going to have in the province of Ontario.

This whole question of expropriation becomes a more and more frequent and bothersome problem to most of the members in this House and to thousands and thousands of the citizens of the province of Ontario.

Certainly urban members get constant complaints from their constituents about what are alleged to be, and in many cases are, substantial inequities in providing for compensation for expropriation.

The problem, of course, is arming the bodies that are going to decide the cash awards with the proper set of ground rules, and making those ground rules as fair as they can possibly be. In addition to that, Mr. Chairman, as my colleague, the member for Sarnia said the other day, we have to arm the person whose land has been taken with adequate means to protect himself. He has to be given competent evaluators, access to competent evaluators and the ability to pay for those competent evaluators, and he has to be given access to competent legal advice and the ability to pay for that competent legal advice.

There has to be a methood whereby the whole process is speeded up, notwithstanding the fairly recent amendments to The Expropriation Procedures Act. These matters drag and drag and the finality in them is a long, long time in coming.

But the whole process of expropriation, the number of bodies that can do it, the ability to make arbitrary decisions with no avenue of appeal, is a most bothersome thing.

In this complicated age where we have highways people who must build more highways and educators who must build more schools, and on and on through all these bodies that have these powers, people just are unable to understand why their house would be taken and there must be an avenue for them to inquire with full rights before some impartial body that is going to tell them.

We made a nibble at some kind of an advance when we dealt in a certain way with hospitals and conservation authorities, universities, and I think there was one more —three. I criticized that approach at that time because I do not think that a judge of the county court or district judge is the proper person to make the decision.

I would have much preferred to have seen the English system whereby the final responsibility lies with the Minister who is answerable in his Legislature. I do not think that a judge is going to be able to understand the kind of implications involved in these things—and I do not think he should be asked to—but I think there must me an ample opportunity to have a public hearing.

In England they send down referees—I think it is the Home Secretary who is charged with that responsibility—and the referee gives notice to all the people who are affected, there is a public hearing, a full report is made to the Minister and he in due course makes his decision.

But it is important, Mr. Chairman, that one person should be responsible for all of these decisions. I would think that if the Minister of Health decided that for his particular purposes he needs some more land he should make a recommendation to perhaps the Attorney General or whichever other Minister is designated by the government as Minister responsible, and then the whole review procedure gets underway. I do not think there should be a variety of people who have the right to make the final decision.

How many expropriating bodies are there? I counted 6,000 at one time. My figure has been questioned, but there are far, far too many elected bodies, appointed bodies, private corporations, charitable corporations and so on, who have the power to take away people's land without any real opportunity for the people concerned to have the matter reviewed first as to the wisdom, and, second, to get reasonable satisfaction insofar as the amount of the compensation is concerned.

We have talked on many occasions about the house for a house theory, and no one in government as yet has seemed to accept this as a reasonable proposition. But in this day when we have such a fantastic housing shortage, it makes no sense to me at all that if you take away a man's home and you bring in the evaluators and they say, "Well it isn't much of a home, it is only worth $7,000 or $10,0000, here is your money, off you go," the person whose house has been taken away is unable to re-establish himself with the money he has obtained as a result of the expropriation.

He did not ask to have his home taken. It is an act forced upon him by some form of government. He was quite happy to stay where he was, he had a roof over his head, he was able to support himself and look after himself.

But the unfair thing that happens in so many cases is that a government body or a body in Ontario with power to expropriate, can and often does take away a person's home and gives him a number of dollars

which are not sufficient to allow him to re-establish himself in equivalent accommodation.

No one can challenge the prime right of the public authority to take private land for public necessity, but that right is an unusual one and must be exercised with the utmost care and caution.

And when a person's home is taken away from him, surely there is enough intelligence in government to discover a way whereby he is going to be given another place to live in approximately the same circumstances as he was living in before government came along and interfered wtih his rights to enjoy his form of living.

Very briefly, sir, that summarizes the arguments we have put forward. I have no desire to prolong these estimates unduly but this whole problem of the process of expropriation is a most serious one and I am very disappointed because even though we have discussed this over a long period of time as we get into the last days of this session we still have no pronouncement from government as to what their view is insofar as fair expropriation procedures are concerned.

Mr. J. Renwick (Riverdale): Mr. Chairman, I would appreciate it if the Attorney General would put on the record the statistical information about the board of negotiation very much in the way that he did last year.

Secondly, I would ask the Attorney General if he would consider following the same procedure that the government has followed in the case of The Business Corporations Act and The Personal Property Security Act, and bring in for first reading at this session the proposed legislation on expropriation.

I understand that for practical purposes it is completed. I do not know whether there are two bills, one covering the procedural recommendations of the McRuer commission and one covering the basis of compensation as a result of the law reform commission report, or whether only one piece of legislation has been prepared and that is on the basis of compensation.

My understanding is that the intention of the government to introduce it at this session has been changed and it is now intended to introduce it in the fall, if there is a fall session. If the legislation is prepared—and I understand it is—I would ask the Attorney General if he would introduce it at this session so that it would be available for public comment and discussion before the fall session or at the time at which it is going to be fully debated.

This would, in some way, eliminate that problem we run into in important public bills and that is, that once second reading has been held in the assembly and it is referred to a committee the principle is established and little, if anything, can be done by public debate and discussion about the essence of the bill.

The intervening two or three months with the thought and the concern that people have expressed about expropriation would give the public an opportunity to consider the bill and for the Attorney General to have the reaction of the public to the appropriateness of the legislation.

I need not comment about the urgency of the matter. We are in a state of limbo so far as urban renewal is concerned, and while urban renewal has many aspects, one of the principal stumbling blocks to any initiative to begin again in the city of Toronto in the field of urban renewal will depend upon this legislation.

I would ask the Attorney General to answer those two specific comments.

Hon. Mr. Wishart: I am glad to answer the comments. I would like to say since the hon. member for Downsview spoke first I found myself in agreement with almost everything he said. I am just as disappointed as he is that we have not got this legislation before the House at this time and perhaps I can deal with that matter now.

We have talked about this on some occasions in the House. I think I reported to the House the other day that we were going forward with this legislation. The members know it is in the Speech from the Throne, it is a promised piece of legislation and therefore, it will definitely be presented. I had hoped that we might have it in this session but I cannot say that we will. It may be possible.

Mr. Singer: Will it be a composite Act?

Hon. Mr. Wishart: It will be one Act. That is the way we have it designed and we had started on the amendment to the Expropriation Procedures Act, bringing in the basis of compensation as in the report of the law reform commission, when we received the other recommenadtions—those of Mr. McRuer—which were wider, broader, deeper, and we attempted then to shape a completely new Act into the amended Expropriation Procedures Act and that has been our approach.

That Act has been prepared for some weeks but you have read, I am sure, the law reform commission's report. The recommendations are so varied there—and they differ, to some extent at least, with the recommendations made by Mr. McRuer—that we have had great difficulty in consolidating them into legislation which we think we can justify as reasonable, feasible, practicable and equitable.

That is what we are doing and I can tell the House I have a committee of Cabinet working with me of such departments as Agriculture and Food, Highways, Public Works but all departments have been asked to give us their commentary on it.

It is taking time to frame that legislation. I can bring in a bill which is, in a sense, ready. But it is not ready to my satisfaction, and to bring it in as the hon. member for Riverdale says, in a state which does not satisfy, and to say, "Here is the government's proposal", knowing that I am going to have to amend it in committee or in the House—I do not like that procedure.

Therefore the reason it is possible that it may not appear in this session—but certainly in this year—is that I want it to be perfect and to represent as nearly as possible what I think is carefully considered government policy to meet the recommendations.

We are working steadily on it and hope to have it before the House before very long. I cannot promise this session but rest assured that we are getting on it with and as I say, it was in the Speech from the Throne. It is one of our main objectives.

On the committee of negotiation, which is this estimate, I have considerable statistics here. They examined during the years 1965 to 1967, or at least had before the committee, 751 applications. The committee was successful in settling 66 per cent of those; 13 per cent are presently pending and the committee was unsuccessful in 21 per cent.

They came from expropriating authorities such as Department of Highways, city of Toronto, Metro Toronto, Union Gas, Metro separate school board, Hydro, city of Hamilton, county of Frontenac, city of Sault Ste. Marie, many other communities ranging right across the province, public school boards, separate school boards, universities – University of Guelph, I note – conservation authorities in several places and so on. There are serving on the board—they are spread across the province—12 persons whose names I have here, if you would be interested.

Mr. Singer: Yes could you read those—put them on the record?

Hon. Mr. Wishart: Yes. Mr. E. Armstrong, Mr. J. M. Bennett, William Dymond, who is the secretary, J. A. Ferguson member of the board, M. J. Gaiser, F. Heaman, William Lang who is the chairman, J. McConaghy, M. McKay, W. Mowat, L. Schedlin, and E. E. Webster.

If you are interested—the chairman is paid a per diem allowance of $75 for his services, the secretary $60 per day for not less than 16 days per month and members receive $50 per day when they are sitting as members of the board.

The board is doing a good job and has been of great assistance in settling the matters. They point out that 53 per cent of all requests received are by the owners or their authorized representatives; 47 per cent were received from the expropriating authorities. Approximately 40 per cent of the owners are represented by solicitors. But the individuals, of course, may appear on their own behalf to present their claim.

This has been a most successful committee. Its work has proved so.

Vote 209 agreed to.

On vote 210:

Mr. Singer: Mr. Chairman, this is the vote that deals with the Ontario police commission and we agreed earlier that this is the vote under which we should discuss the whole question of wire tapping.

In view of the events that have transpired in this province in the last few weeks the whole question of wire tapping has come before us and before the public and, I do not think there is a topic that has more disturbed the people of Ontario than the lack of control that we have over wire tapping.

I put before the House a few days ago the suggestion that wire tapping was illegal and I made reference to the statutory provisions contained in section 25 of The Bell Telephone Act of Canada, in sections 110 and 112 of The Ontario Telephone Act and in section 372, I think it is, subsection 1 of the Canadian criminal code.

I do not know that we have had a definitive statement from the Attorney General on this point but I gather from his remarks that he does not share my view that wire

tapping is necessarily an offence under any of these three statutory provisions.

However, Mr. Chairman, I was tempted to do a bit of research in order to try and ascertain whether or not anyone has ever been charged with an offence under any of these three statutes. So far as I have been able to ascertain there are no reported cases in connection with charges under any of these statutes. The Attorney General nods his head and I will now say that I have had my research confirmed by an official of The Attorney General's Department. He too, had not been able to find any reported cases.

I think the time has come when the Attorney General should find out whether or not it is an offence under any of these statutes to listen in to other people's telephone conversations. The only way he is going to find out is to begin to lay charges and I would think that there are ample occasions on which the Attorney General would have before him—or could get—evidence that wire tapping is taking place.

He should very quickly place the matter before the courts and let the courts decide whether or not any of these three statutes are in fact sufficient to limit the whole aspect of wire tapping. There can be nothing more insidious, in this day and age, than the unusual invasion of privacy that takes place by reason of wire tapping, the use of electronic listening devices.

Scientifically we have made fantastic advances in this particular field, and I understand that certain of the new electronic equipment that is available can listen in to conservations taking place in a room perhaps a quarter or half a mile away, and that this can go on without any knowledge of the persons involved, completely without any knowledge.

What happens when this kind of enquiry, this kind of investigation, this kind of snooping goes on? Who knows what is going to happen?

Do we listen in, for instance, to a man in conversation with his wife on the telephone or in the privacy of their home and, as husbands and wives occasionally do, they have an argument and they are exchanging nasty words with each other? Are these words transcribed by some official somewhere in a file and dragged out at a later time by goodness knows who, who might have had access to that file or might have transcribed it?

And suddenly someone who is in the public eye has to begin to explain why he and his wife had an argument and called each other names once years before; is this the sort of thing that we can lightly countenance? But this is a logical result that can flow from unauthorized and completely unsupervised and unbridled use of these new techniques.

One would have thought that the Attorney General of the province of Ontario would have been in the forefront of wanting to curb this. The whole question focuses in very important connotation as the result of the investigation ordered into the conduct of two magistrates.

The judge, Mr. Justice Grant, is going to decide in due course whether or not the evidence gathered by use of these methods is going to be admissible. I would think that the judge is going to stay far, far away from the basis upon which, or the methods by which, this evidence was gathered. I do not think the judge is going to put himself into the middle of this kind of a discussion, because that was not really within the terms of his reference. The judge is not going to gratuitously give us any opinions, not having been asked for them, as to how, or if, or when, wire tapping could and should be supervised. So I think it is up to us to determine these things.

Surely, Mr. Chairman, even with the police—and let us start with the police—even with the police there must be established, at the first instance, a chain of command whereby the use of these devices is strictly controlled. I do not think it is a sensible argument to suggest that under no circumstances should the law enforcement authority, should police officers, be prohibited absolutely from using these devices. But I do think, Mr. Chairman, it is of the utmost importance that, when resort is going to be made to these devices by law enforcement authorities, that there is a method of control.

I do not know how much of what we read in the paper is correct. I do not know in this particular case, the one involving the two magistrates, whether or not the people who did the wire tapping—we do not even know who they were—if they got anybody's permission at all. Presumably somewhere along the line there might have been a chain of command.

Here on the front page of one of our Toronto newspapers today, and again last night, are references to and the pictures of two of the members of the Metropolitan police commission, and some of them say,

"We did not know it was going on at all. We were surprised. We did not know until we picked up the paper."

Whether Chief Mackey knew it was going on or not, I do not know. Does anyone have to get his authorization? Does the inspector have to give authorization; does the sergeant do it? Or does the individual policeman suddenly say, "This is going to be a good day to go out and wire tap, and I am just going to go out and see what I can find?" Surely, Mr. Chairman, this has to be brought under control.

As I say, it must be recognized that there might well be occasions when the law enforcement authorities have to resort to this kind of tactic, but I think it has to be tightly controlled. We have the weapons here in this Legislature to immediately control certainly police activities, there can be no question about that. I would think that we can direct immediately that there be no wire tapping by any policeman unless and until there is authority and approval given, say, by a Supreme Court judge. And I would think that that approval should not be lightly given by a Supreme Court judge.

It would seem reasonable to me that when such a request is made, it should be made on the highest authority of an individual police force. It should be made to a Supreme Court judge, and it should be made to a Supreme Court judge in order to satisfy him as to two things: No. 1, that the case which the police are investigating is one of unusual importance and seriousness, and, No. 2, that the police are unable, in the ordinary course of events, to gather evidence any other way than by the use of these devices.

If those two things can be established to the satisfaction of a Supreme Court judge, then the Supreme Court judge shall issue his warrant or shall issue his approval and in terms that are strictly confined, and for limited periods of time. The warrant could well read that: "I hereby authorize constables A, B and C to use electronic devices" —and particularly describe them—"in the investigation of a certain case, for a period of time, whether a week or 10 days." Based on that, these procedures should be allowed to continue.

But I think it is most important, Mr. Chairman, that these controls must be brought into being at the earliest possible moment. Short of this kind of control, then I say, sir, that we are facing the most serious danger of the invasion of privacy—we are facing the most frightening aspects of a police state.

George Orwell's "1984" was directed to this kind of world, and we have it here in Ontario, Mr. Chairman. If we are going to sit back without taking any action, saying that there is nothing presently in our laws that can stop it, then I say we are inviting all that George Orwell predicted in his book.

I would say that we must go much further, Mr. Chairman, because, in addition to the police use of these devices, there are other uses being made by a variety of people, people in business competition one with the other, who invade the privacy of their competitors' business to find out trade secrets. Snoopers, people who are idly curious, do this on occasion. Private investigators, for the purpose of gathering evidence for matrimonial actions, and that sort of thing.

It would seem to me, sir, that our laws have to be written so that, other than on most important and properly authorized occasions, no one can wire tap or use these devices. In the event that they do, then they have committed a serious offence and should be answerable for the same before the courts. The penalties written in relation to these offences should be heavy enough so that the people who engage in these unauthorized practices will know that, if they are brought before the courts, they will be seriously punished.

In addition to that, sir, I would say that we must amend our Evidence Act, and come somewhat to the approach the Supreme Court of the United States takes. We should say in our Acts that evidence improperly gathered, or illegally gathered, is not admissible. Certainly evidence gathered by illegal means of wire tapping, or listening, or electronic devices should not be admissible to the courts unless there has been proper—well, then it would not be illegal, if there had been proper authorization beforehand, then it should be admissible.

I know the Attorney General is going to tell me that the substantial responsibility for this matter lies in Ottawa. To a certain extent, I would subscribe to that theory. But I would say, sir, that here in this province, in Ontario, we have our own responsibility. Until or unless Ottawa moves—and I would hope that the things that I am saying would impress themselves upon the minds of the new government in Ottawa, and in the mind of the Minister of Justice there, and that at the first opportunity we would see appropriate amendments to the criminal code.

When the federal House of Commons is going to meet and when they are going to take that action, I cannot say, and certainly

we have no control over that. But in the meantime, Mr. Chairman, we here in Ontario are in session, and the Attorney General has a formidable stock of ammunition that he can use, if he wants. He has all the power of government behind him to today bring under control the frightening, the horrendously frightening, series of events that I have been trying to describe.

I would say, sir, no longer is it good enough for the Attorney General of this province to throw up his hands and say there is nothing I can do. There are many things he can do. Certainly he can quickly bring under his control almost immediately, the police use of wire tapping. Certainly he can bring before the courts a trial case, a series of charges under The Telephone Act of Canada, The Bell Telephone Act, The Ontario Telephone Act, and the provisions of the criminal code that I referred to.

If the province of Ontario speaks in a loud voice as to its feeling about the use of wire tapping, this is going to have a very substantial effect, both on the people who might be contemplating its use and on the Legislatures in other places.

Hon. Mr. Wishart: I missed the section of the code the hon. member referred to which he—

Mr. Singer: It was section 372 (1) I think. I referred it to earlier, but 372 (1) is the one I recall. I will check that for him and give it to him later if that is not correct.

I would therefore say, sir, that we have to move, and we have to move immediately.

Finally, one other thing. When, in a matter in which this Legislature is concerned, there have been certain admissions made as to the use of wire tapping.

I would think that the legislators of this province, and the people of the province are entitled to know how it came about. I do not think we have any right to enquire at this point as to what evidence was gathered, but I think it is most important that we get from the Attorney General today the full story of how much wire tapping took place in these investigations. Who authorized it? How many officials—police officers—were used? How many occasions they listened? And whose telephones did they listen to?

I happened to be at a social gathering the other evening, and I was sitting at the table with one of the magistrates who acts here in Metropolitan Toronto, and he just threw up his hands and said, "I do not know." He said, "I hear what I think are strange clicks on my telephone from time to time. Maybe somebody is listening to me or not."

It was a pleasant party and we began to kid backwards and forwards, and I said, "Do you ever have a fight with the wife over the phone," and he said, "Oh yes we do."

"And do you ever call each other names?"

"Oh yes we do," and he said he "would be shocked if the transcript of one of these husband and wife arguments suddenly found its way into a police file."

There is no suggestion that he is not a good magistrate and no one has criticized him to my knowledge. But there is the doubt, the very substantial doubt, in his mind that as a result of what was going on in relation to these two investigations that people might well have been listening to his conversations, and making recordings of them and reports being written and placed in files.

I would say that the Attorney General has a duty and a responsibility to tell the people of Ontario, particularly in relation to these matters which are under investigation by Mr. Justice Grant, whose telephones were listened to? Who authorized it? And the occasions on which it was done.

I think that, at the moment, covers my very strong convictions in relation to this most serious matter.

Mr. Shulman: Mr. Chairman, I agree with everything the member for Downsview has said. I wish to draw to the attention of the House, that I have a motion before the House on this subject at the present time, a resolution before the House that in the opinion of this House it should be a criminal offence to tap or listen in on any private telephone, except with an authorization signed by a judge of the Supreme Court.

It was reported in the press earlier this week that this view is shared by the government of Ontario—if this press report is correct—and that certain representations had been made by the provincial government to the federal government on this matter.

Now, if this report is correct, and the provincial government and the Attorney General do share this view, I ask them to bring my resolution forth for debate so that this House can unanimously support it. I would then suggest that with the support of all three parties, the federal government would move very quickly to bring in suitable legislation, particularly if we are able to inform them

that the House has unanimously supported it.

Mr. Kerr: Mr. Chairman, could I ask the hon. member for High Park a question on that point? Would this application—I assume it would be an application to the Supreme Court judge—would it be an *ex parte* application, and if so would the hearing be *in camera?*

Mr. Shulman: Yes.

Mr. Chairman: The member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman, I will try to keep my remarks as succinct as possible. The President of the United States made this statement in an inaugural address to Congress in the year 1967. It received the largest Congressional applause of any other topic in the speech.

> We should protect what Justice Brandeis calls, "the right most valued by civilized ment"—the right of privacy. We should outlaw all wire tapping, public and private, wherever and whenever it occurs, except when the security of the nation is at stake, and only then with the strictest safeguards. We should exercise the full reach of our constitutional powers to outlaw electronic "bugging" and "snooping."

He submitted at that time a crime control bill containing the power here mentioned, and I wish to mention it, because one of the things I am going to recommend is a negative concept, the prevention of such use in the future.

They had a provision forbidding the manufacture, distribution or advertisement in interstate commerce of wire tapping and eavesdropping.

May we put it this way, that in this province I think we live in a relatively Elysian field of innocence, and that perhaps it has not deeply penetrated our society as yet. If we review the position set out by Alan Westin in his rather magnificent tome called "Privacy and Freedom" there is case after case and page after page outlining various incursions into pirvacy as exercised and not only by private detectives but sometimes for the personal delectation of the individual to snoop on his neighbour both with listening and with camera devices and so forth.

The range of the devices have now become very widespread. They are shown in *Esquire* magazine. The member for Sandwich-Riverside introduced earlier on March 11 in this session the case of an advertisement for a Swiss device being sold in Ontario for $148 about which very little has been said.

Subsequent to that date, there were spike microphones, shotgun microphones, brief case recorders, there is a cocktail or bug martini, there are two-way mirrors. The range is simply enormous, and I would think that under the powers of 92 (13) a good many of these devices can be controlled constitutionally in this province. In any event anything having to do with Bell Telephone communications and facilities they certainly can.

The fact of the matter is that no private individual, no one for that matter including a government agency, knows whether its telephones are being tapped or not.

There is, a case in Las Vegas of eight telephone lines taken out by the IRS in the United States into a hotel there, yet nowhere along the line is it possible to receive it back from the telephone company to detect. It is done by induction coil process back at the offices of the telephone company itself, which keeps these things strictly under control.

The second thing I want to mention is, apparently, that people who run the country or run this province, and particularly in the United States, are forever claiming—that is the President, the Attorney General, the Solicitor General, the head of the Treasury, all the top boys—they do not seem to know what is going on. They all throw up their hands in front of congressional committees and say: Well, it is not done with our authorization, as a matter of fact quite the contrary.

There is, in the code of the revenue service, a specific admonition against doing it, and a penalty to be acquired in so doing it. Nevertheless it is done as has been proved before the Long committee in the United States Congress. It is done on a vast scale and with far-reaching implications.

As far as things go here, we do not know just what the scale of this eavesdropping is. Looking at the paper just yesterday and as the member for Downsview said, the situation is that our law enforcement officers and people in charge disclaim knowledge of how the police are conducting the affairs of this province.

The one other point that I wish to drive home is the reneging on his degree of responsibility by the Attorney General, Mr. Chairman, *vis-à-vis* the police forces of this province. It is, as McRuer pointed out, his

responsibility. He is the chief law enforcement officer of this province. It falls squarely on his shoulders to know, to direct, and in all ways to enter into the ways in which the private communications of citizens are being impinged upon, or intervened on, or interfered with, and to shuffle this off, this most vital area, as though there was some screen between him and the operations of the police department, is an abdication of responsibility.

This must cease. It is the most gross, ongoing incursion into our lives that is taking place through the devices of science. It is something that is new to us, which we nevertheless must face up to. I think we should face up to it—though it has not, I would think, come into our lives very deeply as yet—in a preventive way. We ought to forfend against it.

We ought to be able to live on the experience derived from the United States, and on what Westin has told us in his admirable investigations—and he did a very thoroughgoing job—in order to offset, in advance of the case, the possibilities of using these devices as has been indicated under two headings:

1. I think the Attorney General probably agrees with this, it is simply a question of getting legislation ahead, that no eavesdropping device be used without, as you said, the permission, I would think, of a superior court judge—no lesser authority. That is number one.

2. To be taken under advisement forthwith—the banning of devices of this kind of public sale in the province. The only purpose behind these things is an undue and a most surreptitious invasion of our most intimate rights. Let us seize the bull by the horns right at this stage and give leadership.

As I said the other day in my opening remarks, the position of the Americans—the Supreme Court decisions are fine. The problem is carrying out the lower state decisions in the federal courts. The whole thing has been traduced internally, and they are having great difficulty trying to bring these surveillance devices under surveillance.

With that in mind, and to shorten further conversation—I shall have more to say at a later occasion—I would ask the Attorney General to take both of those suggestions under consideration.

Mr. Chairman: On vote 210. The member for Riverdale.

Mr. J. Renwick: Mr. Chairman, I notice there are only three or four more minutes and the comments I wanted to make on the question of the invasion of privacy will probably take somewhat longer.

I do not want to enter in on this discussion in the sense that it is a simple problem. I think it is a very complex and difficult problem. I share most of the sentiments expressed by my colleague from Lakeshore and some of the sentiments expressed by the member for Downsview. Again, I do issue a word of caution that I do not think that the United States has, in fact, solved the problem, either by the Supreme Court decision in the United States, or by any clear governmental directives, as to the way in which these devices will be used.

I think within that context I would like to—

Mr. Singer: You are not suggesting that I said they had?

Mr. J. Renwick: No. The member for Lakeshore referred more specifically to the decisions of the Supreme Court of the United States and indicated that, perhaps, that guidance was adequate. I am not specifically familiar with the various cases which came before the Supreme Court of the United States, but my understanding from the commentary that I have read would indicate there are still many unresolved questions involved in the problem.

Therefore, all I want to do is to place before the assembly—and I would prefer, Mr. Chairman, to do it in a connected way on Monday, rather than at one minute to one—certain distinctions which are involved in this field of wire tapping, in an endeavour to be of assistance in a coherent way. I would appreciate it if, in those circumstances, I could continue on Monday.

Mr. Chairman: Does the Attorney General want to make any reply?

Hon. Mr. Wishart: I think, Mr. Chairman, since it is so close to one o'clock—this is quite a subject to discuss—I will reserve my remarks and would not commence them now.

Hon. Mr. Rowntree moves that the committee of supply rise and report certain resolutions and asks for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker the committee of supply begs to report that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Clerk of the House: The 9th order, resuming the adjourned debate on the amendment to the motion that Mr. Speaker do now leave the chair and that the House resolve itself into the committee on ways and means.

BUDGET DEBATE
(Continued)

Mr. T. Reid (Scarborough East): Mr. Speaker, at the adjournment of the debate a week ago I was discussing the Conservative government's lack of response to the health services shortage between 1948 and 1962.

I would begin my remarks today by stating simply that all but one provincial government in Canada invested more of its allotment from the federal government in health programmes, such as professional training, hospital construction grants, survey of health facilities, to mention only a few, than did Ontario. Ontario used, Mr. Speaker, only two-thirds of the available funds from the federal government between 1948 and 1962. This is in distinct contrast to Saskatchewan, for example, which invested 81 per cent of its allotment.

Mr. Speaker, if the Conservative government of Ontario wanted to avoid a serious bottleneck in the supply of health manpower and health services in the 1960s, they could have done so by intelligent foresight and action in the 1950s. For example, if the Conservative government of Ontario had invested its full allotment of $193 million on providing more health manpower and more health services between 1948 and 1962, the present Conservative Treasurer would not have had to press the expensive and wasteful panic button this year.

The example of the failure of the Conservative government to make full use of its allotment of federal government health funds in the 1950s is meant to be just that. It is an example. It represents the attitude of the Conservative government.

As an example, this failure of the Conservative government to make full use of its allotment of federal government health funds in the 1950s is an indictment on the ability of the Conservatives to govern and manage the public affairs of the men and women of this province. Here are the facts, again, to elaborate on this example.

The federal government made available to the Conservative government of Ontario a total of $193 million to ensure a greater flow of health manpower and health services between 1948 and 1962. The Conservative government left $64 million lying unused in the coffers of the federal government. This money was not translated into Ontario health facilities, or into health manpower, or health services. Sixty-four million dollars was just left idle.

This failure to invest $64 million of federal health funds into the supply of health services in Ontario meant that an additional $64 million was not invested by the province as well as part of its matching investment. The gap was $128 million—a gap between what was needed and possible and what was actually done.

What is $128 million? Well, it is more than four times the $29 million increase in the net general expenditures of the entire Department of Health between 1967-68 and 1968-69; $128 million is equal to the estimated rise in the cost of operating OMSIP next year.

And this government has the sheer gall to state in public, in the Legislature of Ontario, that the reason it does not bring the people of Ontario under the coverage of medicare now is that "increasing the supply of health personnel—must have precedence over a universal health insurance scheme."

It is the lack of planning that is so appalling in the present government's approach. It invariably takes the short view, the easy way, the lazy man's way. Social issues are swept under the public rug—and that underlay is getting deeper all the time.

Have you not noticed that every few weeks or months a social service or public health emergency arises in Ontario? Each time there is usually a flurry of statements from the government of Queen's Park, some of them contradicting others, and then an "investigation" is ordered and there are further pious statements, even from the Premier of the province, if the situation seems to spell political trouble.

But the lack of foresight that laid the groundwork for each of these emergencies is rarely heard about—and the idea of preventing them by planning remains a strange and foreign idea to this government.

This government at Queen's Park—despite its old-fashioned apparatus and outlook, unhappily lacks the old-fashioned virtue of thrift. It is a Conservative government that does not conserve; a progressive government that progresses at a snail's pace.

I would like to turn to another area which I consider very important. I will just deal with this briefly. It is about the comic strips in the newspapers promoting violence. I would like to give a specific example. In the prominent, eyecatching position of the upper right page of the so-called "comic page" in the *Toronto Telegram*, the readers find the strip "Odette, British Agent", and here is the script for Thursday, June 27, 1968:

> We burned her spine, yanked out her toenails and still she refuses to talk. Shall I proceed with other tortures?
>
> No, take her to her cell for now. It has been a pleasure, we will meet again soon. I am afraid that you are going to the Gestapo again tomorrow.

Mr. Speaker, this is but one example of the so-called comic strips in many Ontario newspapers which promote violence in a society which has had enough violence. In my opinion, if the newspaper editors do not exercise a better sense of social responsibility to do their bit to stem the propagation of violence in their funny strips, this government has a direct responsibility to do so.

I would be prepared to argue that violence in comics is a special case. The least I would ask of Ontario's newspapers—

Interjections by hon. members.

Mr. T. Reid: The least I would ask of Ontario's newspaper editors is that they be consistent. Some editors write in a derogatory way about our young people, particularly those who protest in the visible way. No wonder some of these young people opt out of our society—the kind of violent society so-called funny strips in our newspapers seem too often to condone. Mr. Speaker, the next time that a person is found in the city with a burnt spine or yanked toenails I will say that the editors of the *Telegram* are directly responsible as well as the present Conservative government.

Mr. Speaker, leaving that question for the hon. members to ruminate over the weekend, I would like to turn to another subject. I would like to talk about what I consider to be an infringement of teenagers' rights and the failure of the Conservative government to move in this area.

I would like to start my remarks by referring to the Ontario human rights code. This code, which is a statute of the Legislature states that one of its two aims, and I quote, "is to make secure in law, the inalienable rights of every citizen".

The Premier likes that statement very much and quotes it quite often. The recent statements of his Attorney General and Minister of Education concerning school records of our young people of Ontario and the use of the records must make the Prime Minister realize how empty his fine words are of any real meaning.

The Ontario human rights code also states, "Recognition of the inherent dignity and the equal and inalienable rights of all members of human family is the foundation of human freedom, justice and peace."

The Attorney General and the Minister of Education of this province, through lack of leadership and policies and indeed, I suspect, lack of knowledge of what is meant by inherent dignity and equal and inalienable rights to all individuals, have not only allowed a fundamental right of individual teenagers to be transgressed, but have refused to take decisive action to prevent their rights from being transgressed in the future.

I maintain that the spirit of the code of human rights in Ontario has been transgressed in the matter of school records, if not in the letter of the code. I state this in an absolute sense as well as in the relative sense that the pupils of our schools have been discriminated against on the basis of age and station.

They are captive in a school system. Their actions and behaviour are observed and recorded. Unlike their elders they are compelled by law to be captive. They cannot protect themselves from such systematic scrutiny.

That lack of action and statements by the Attorney General and the Minister of Education concerning school records in the last few weeks, is to be condemned. Philosophically, and as a Liberal, I condemn them absolutely for putting a system over the rights of the individual.

I urge the Prime Minister of this province to acknowledge that Ontario should lead the way in the national acceptance of a Canadian charter of human rights as a part of a revised Canadian constitution, so that individuals such as our young people in school can have their inalienable rights—including the right to privacy and liberty—protected under our constitution, as opposed to being dependent on the whim of any particular government controlled

at any particular time by a particular political party.

A constitutionally entrenched bill of rights would guarantee the fundamental freedom of the individual from government interference, federal or provincial. Individual rights ought not be submitted to vote; they ought not depend on the outcome of elections.

In the proposal for a Canadian charter of human rights prepared by the then Justice Minister, Pierre Elliot Trudeau, the following statement is included. It is a direct quotation, Mr. Speaker:

> Everyone has the right to freedom of expression. The exercise of this freedom, since it carries with it duties and responsibilities, may be subject to conditions and restrictions as are prescribed by law and are necessary in a democratic society for the protection of the reputation or rights of others, or for preventing the disclosure of information received in confidence.

In the specific context of individual rights and pupils' records what I have said can be put this way. Teachers, school officials, Department of Education officials have access to pupils in school. They write down information and views about these young people and build up a file on each individual.

A great deal of this information is collected without of course, the consent of the individual pupils. I can think of no better example in our society today of "information received in confidence".

Mr. Speaker, where are the laws of this Conservative government preventing the disclosure outside of the educational field of this information received in confidence? Instead, here is the policy of the Conservative government as expressed by the Attorney General and the Minister of Education. I quote the Attorney General, June 28:

> There is no privilege accorded for this type of information (the pupils' accumulative school files). I can think of situations where it would be most cogent and most valuable as evidence.

The Minister of Education, Mr. Speaker, on July 4:

> The question of information and the law is a very complicated one and I do not think I am qualified to get into that aspect of the question of school records.

What does this amount to? It amounts to this: the Education Minister says, he is inept in giving leadership in this area. The Attorney General comes very close to saying that there should be no privilege accorded for this type of information and the Prime Minister of this province has the sheer gall, Mr. Speaker, to go around saying that our laws—the laws of the Conservative government over the past 25 years—the statutes of this province should make secure the inalienable rights of every citizen.

If the disclosure of information received in confidence, on pupils in our schools, is not a transgression of a young person's inalienable rights then I would like to know a better example.

I wonder, Mr. Speaker, if the Attorney General and the Minister of Education have read a recent publication entitled "Living and Learning". I believe it was a report prepared upon a request of this government. On page 170 of this report, in a chapter entitled "Fundamental Issues in Ontario Education" is found the following statement, and I quote it directly, Mr. Speaker:

> An important issue emerges in connection with new methods of data processing and information retrieval. Facts about a pupil, measurements of his performance and even judgments regarding his character and potentialities may be recorded and stored. Such records should be treated as confidential so that private information is not released or used without consent of the individual concerned. The possibility that information about a person may prove ramaging is not to be treated lightly.

Mr. Speaker, I submit that both the Attorney General and the Minister of Education of this province have treated this matter very lightly indeed.

Then, in the broader context the Hall commission report states this, and when I say broader, I mean broader than the area of access to court, the access of the law courts to this information, talking about access outside the school system to employers and so forth. The Hall commission states:

> Who knows what category of people might be segregated for special attention in an unforeseeable future merely on the basis of the cards spewed out by an electronic sorter.

Mr. Speaker, I would like to conclude my remarks on this area by recording in *Hansard* part of an editorial that appeared in the *Globe and Mail* this morning, Friday, July 5, 1968. I hope that by doing this I will draw the problem both to the attention again of the Attorney General and the Minister of Education as well as to some of the hon. members opposite so that in their caucus they might

press the Attorney General and the Minister of Education for a clear cut issue on this.

Mr. R. F. Nixon (Leader of the Opposition): They never attend.

Mr. T. Reid: I would like, therefore, Mr. Speaker, to put this into the record. The editorial is entitled "Records First or Children, Mr. Davis?":

> Yesterday, Education Minister William Davis had his say on the subject and it was uncharacteristically gauche. The use of the records in the courtroom, said Mr. Davis, has not hurt the usefulness of the records. The incident should not reflect on the value of the records to the educational process.
>
> Who was worried about the harm that might be done to the records by reeling them off in a courtroom? Did Mr. Davis have no thought about what damage might be done to people, the people, whose case histories with all their prejudice and stereotyped judgments, might be exposed in public?
>
> Has Mr. Davis examined the full transcript of the trial in question? Has he even sent for one? Has he read his own committee's report with its references to the victims of self-fulfilling prophecies or is he succumbing to a severe case of the rigidity which this committee warned were a danger to anyone who would administer his colossal department efficiently, humanely and with flexibility?

Mr. Speaker, I submit that my leader and other members of this official Opposition have brought to the attention of the government a fundamental issue on which they must have a stand and a policy. Now I close with those remarks, Mr. Speaker, thank you.

Mr. O. F. Villeneuve (Glengarry): In taking part in this Budget debate, Mr. Speaker, I should like to point out that one of the major problems in the province is the heavy burden on municipal taxation and based upon the Smith committee's recommendations this government undertook to lighten the municipal taxpayers' load by some $126 million. This relief was to be brought about by two measures; shelter exemption grants to all homeowners and tenants in the province and by the assumption by the province of the cost of the administration of justice. In the Budget presented by the hon. Provincial Treasurer to this House on March 12, Mr. Speaker, the government has more than fulfilled its commitment. The proposals contained in this Budget which will be implemented in this session will bring relief to our municipal taxpayers in the amount of $191 million. In other words, Mr. Speaker, this government has not only fulfilled its commitment to the people of this province, it has exceeded that commitment by some $65 million.

One of the most important gauges of any government is its economic integrity and stability and the size of debt in relation to gross product. In 1948, Ontario's provincial debt was in the order of 13 per cent of the gross provincial product. By 1962, this debt was reduced to approximately 9 per cent, and as of the 1966-1967 fiscal year, the debt was further reduced to 6.6 per cent with a modest deficit proposed in the Budget before us. The increase in the level of debt for 1968-1969 will be well below the 9 per cent limit suggested as tolerable by the Ontario committee on taxation. This highly satisfactory state of affairs is no accident. It is the result of the consistent application since 1943 of one of the basic principles of this party.

The former leader and Prime Minister of this province the Hon. Leslie Frost said in an interview:

> The philosophy when he was Premier was to develop the province and get more people to make the wheels of the economy go around and with the taxes and revenue that came from the expansion of the economy to increase our standard of living. It has to be a partnership between the two philosophies of economic advance and human betterment. This is one of the things that Canada should bear in mind today.

Mr. Speaker, I do not pretend to be an economist but I do feel that I understand and appreciate the economic philosophy of our party and its significance today to Canada and to our province of Ontario. Put in the simplest terms, it seems to me that the revenue which we spend here each year comes from the taxpayers, the workers, the wage earners and the industries in commercial enterprises of this province.

If we wish to increase expenditures, there are only two general courses open to us, we can increase taxes on the industries, businesses and wage earners that we now have in this province, or we can strive to broaden our tax base by fostering new industries and businesses and consistently increasing the number of wage earners or taxpayers. Last year, for example the gross provincial product of our province rose by 7.8 per cent to $24.9 billion, and in the process 95,000 new jobs were created.

Mr. Speaker, I want to call your attention to recent events in Britain. That country's serious economic plight provides a very important lesson which must be learned by all Canadians of all parties. At the latest count, only 19 per cent of the 15-19 age group in Britain were in school or university, while in Japan, for example, the figure is over 40 per cent. When one ponders over these significant figures we can all appreciate what two world wars in a period of 30 years has contributed to the drain on Great Britain's physical resources.

Public policy with emphasis on redistribution of income and welfare programmes in Britain along with the rate of household saving has remained relatively low and considerably below that of the seven principal European countries for which comparable data is available.

With business savings also comparatively low the overall rates of gross savings as well as gross capital formation on average from 1958 to 1965 have been lower in Britain than in any other European countries covered in the capital markets study made in 1967. Therefore, government policy has a definite effect on this country's economy.

Mr. Speaker, this Conservative Party is fully committed to policies designed to create and maintain the economy. For that reason we welcome the socialists' announced decision to swing to the left. In the press, mention has been made of our more aggressive attitude toward them. These reports are true and we will continue to attack that party, for we are convinced that its success would inevitably bring the same economic ruin to Canada and Ontario as the Labour Party has brought to Britain. With a former socialist as leader in Ottawa, we do not know where the federal party stands.

Further evidence of this provincial government's recognition of the vital importance of sound economic planning is provided by the organization of The Treasury Department into The Department of Finance and Economics and a Department of Provincial Revenue. This reorganization is a good example of the type of progress being made by this government almost unnoticed by a press which is kept fully occupied reporting upon one unfounded and irresponsible charge after another from the benches opposite of alleged cruelty and inhuman treatment to persons in the Don jail and in Guelph, and so on.

Our people are learning the hard way that, contrary to what they are being told by many politicians, there is no money tree growing either in Queen's Park or on Parliament Hill. In the final analysis it is the consumer and the taxpayer who are the source of all revenues including most of the funds derived from our corporations and businesses.

One looks at the total funds which we in this House simply allocate to local governments, school boards and other agencies throughout the province. The amount of these funds is largely dependent upon expenditure decisions made at the local level. Let us take one example openly, that of legislative grants to school boards.

The figure here is $490 million for this year and no doubt the Minister of Education was questioned very closely on this figure during the estimates of this department and this is right and proper, but this is no guarantee that the vast sum of money will be properly spent and we can only be certain of this when school boards throughout this province are subjected in their turn to the same searched scrutiny and enquiry which is conducted within this House.

I firmly support our government's programme of consolidating the school administrative units on a county basis. All of us are agreed on the principle of the programme of equality for all children of this province, regardless of where they live. But in addition this consolidation will also ensure greater accountability to the taxpayer of the sums being spent on education. While we may not see any reduction in the cost of education, I think that as a result of this reorganization we may reasonably expect to see less duplication of effort, fuller use of facilities and therefore we should derive greater value from every dollar committed.

I commend the Minister of Education for the strides his department is making in the field of education known as television. I believe that all of us can take pride in the fact that our province is establishing a world-wide reputation in educational television. Because of the great distances which separate our municipalities, television is bound to play an increasing title role in ensuring equality of educational opportunity for all Ontario.

In the field of social and family services, I welcome the hon. Minister's intention to spend more effort in rehabilitating welfare recipients. This is simply another application of our party's programme.

It is the aim of this government to deal with dependency on welfare allowances, insofar as possible, by methods of prevention

and rehabilitation. Our social services are being designed not only to help those who are unable to help themselves, but just as important, to assist others to become self-supporting once again.

In looking over the Budget for The Department of Social and Family Services, Mr. Speaker, one notes an overall increase in expenditures of approximately $20 million.

The bulk of this increase is devoted to the child welfare branch, with expenditures this coming year of over $34 million, versus $27 million of a year ago—and to the family benefits branch and municipal welfare administration branch, which are each up approximately $4 million. Another significant increase has gone towards improving the vocational and rehabilitation services provided by the department for our handicapped citizens.

The training or education now available for these citizens runs from a complete university education, professional courses, clerical or trade school training, to on-the-job experience in office or factory in jobs calling for every degree of skill and ability. Employment for graduates includes the whole spectrum from sheltered workshops for those unable to compete in the industrial-commercial world, right through to semi-skilled, clerical, technical and professional positions.

Indeed, Mr. Speaker, our handicapped have been helped to establish their own businesses, and legislation has already been introduced this session to expand this programme. At present we have some 2,600 persons in 81 workshops in Ontario, out of a total of nearly 6,000 persons who annually receive vocational and rehabilitation assistance.

I was pleased to note also, Mr. Speaker, that the emphasis in our expenditures on health has been directed to increasing the supply of health specialists. Some $30 million is to be spent on health sciences teaching facilities for the training of doctors, dentists, nurses and health personnel.

In addition, grants will be increased for the construction of teaching hospitals and for schools to educate hospital personnel. I know too that the increased bursaries to be provided to medical, dental and other health specialists will be welcomed by all members of this House.

This policy is entirely consistent with the hon. Treasurer's opening remarks that first things must come first—that these expenditures form an essential part of the foundation for the future growth in our health services.

In the field of agriculture, I am very pleased that the Minister of Agriculture and Food (Mr. Stewart) has appointed a committee to have a full-scale examination in the entire cheese industry. The eastern counties of Stormont, Dundas, Glengarry, Prescott and Russell produce over 50 per cent of the cheese produced in the entire province and naturally, this is of great importance to eastern Ontario because of the unstable conditions in Britain of the pound sterling value and Great Britain being our prime market for export cheddar cheese, the United Kingdom's economic difficulties will have a direct bearing on the cheese industry much more so than any other dairy product produced in this province.

I am pleased to know that this committee is already at work and it is anticipated that the report will be in from their findings by midsummer. Many of you have heard high hopes expressed for the farmer's lot each year for the past 30 or 40 years.

If I may sketch briefly the developments which have deepened the farmer's problem, then examine the future of the dairy, beef and hog operations in eastern Ontario in particular, Mr. Speaker, the farmers of eastern Ontario are not alone in having problems. It would appear that the word progress has come to mean migration from the farm to the city and movement from occupations which require a good deal of labour to those which use more machinery and less labour.

The incentive to move to the city has been provided by low prices and incomes to farmers. This has been as true in Ontario and other parts of Canada. Since 1940, farmers have applied more capital and equipment to their farms, production has increased, while net incomes have remained about the same as in earlier years. During the same period, since 1940, urban industrial incomes have gone up nearly five times.

So unpredictable has agriculture been that even a very good farmer who used his credit wisely and expanded his production at the right time could be destroyed by the decisions of other farmers to expand at the same time. The over-production and low-price cycles destroy hundreds of good dairy farmers, some good large hog farmers and hundreds of good broiler operators. This very large problem, low income on the farm, and in the small towns has led to the continuous movement of the people to the city and is causing serious concern in eastern Ontario, as well as all over Canada.

It would appear that the burden of solving the low-income problem of rural people seems to rest with the state government and with local and county government. We must work out new ways to raise farm income in the province. We may have to use either county governments or lump a number of counties together into regional governments to tackle some of the jobs that must be done.

I believe the first job to be done is to gradually slow down the flow of people out of the rural area to the city. That requires the development of a strong base of local industry, good roads, good educational facilities, both for young people and for men and women who want to earn a good living. The local attraction must be strong enough to keep the people from leaving. The next job, as I see it, is to develop in this part of rural Ontario, the kind of diversification that will allow individuals a choice of jobs without leaving this part of the province. It is true that there is some choice now but the choice should be much wider, providing more options for people. It begins with educational facilities, with adequate schools, colleges of applied arts and technology and colleges of agriculture. Then it requires the provision of places to work right in this part of the province and not somewhere in the distant city.

It has become clear that the plight of the farmer is serious and that it must not get worse. We have had major conferences on farm income and we have a farm income committee working as swiftly as possible to offer possible solutions: At the federal level, a five-man task force has been appointed to examine the problems of the farmers in Canada, and to develop guidelines for a natural, agricultural policy. Across in the United States, the problems of the farmers are not the only ones that they have suddenly recognized.

Great cities of this continent are threatened by smog pollution, by race riots and by general lawlessness. It is clear that the great American dream of moving people from the farm to the city has gone slightly sour. The result has been a new focus on our whole structure of civilization. Just as they have seen the 50-year move from the farm to the city, I believe we are in need of a comprehensive study in this country because the time may come when the city will be questioned as a place to live and the country will come back to its own, but dairy, beef and hog farmers want to know what farms hold in the next few years.

As recently as five years ago, everybody seemed to think that all public programmes were aimed at getting people off the land and into urban jobs. Through Ontario legislation, we began to make capital grants for productive activities, leading to the improvement of farms: To carry out other farm improvements over $120 million will be made available over the next ten years to commercial farmers in Ontario.

The Department of Agriculture and Food in Ontario has other programmes which are changing the whole future for good farmers. Junior farm loans, with the most generous terms in Canada, crop insurance, community pastures, expert extension advice, and so on. Through co-operation with other departments in the Ontario government, a variety of new services is being introduced to rural Ontario which will totally change the face of the province by 1985. One of these is the system of colleges of applied arts and technology which will place advanced technical training within driving distance of every rural boy or girl in Ontario.

Another is the vastly expanded network of university facilities in the province, with scholarship programmes to match which will make it possible for thousands of rural young people to attend university, if they wish to do so. Allied with all this is the expanded service of the colleges of agriculture at Kemptville, Guelph, Ridgetown and New Liskeard. Each year, agriculture, as it is practised on Ontario's commercial farms, comes closer to professional status.

As of now, the Kemptville school of agriculture is the Kemptville college of agricultural technology. Recently, we have come to the realization that to simply dump people into the cities can be costly to the individual and to the country. People have been hanging onto their farms despite inadequate income because they could do nothing else or were fearful of setting out to try. Training was not available at any cost and jobs only could be found for those with training. Age was against many.

Governments are finally aware of the need for transitional programmes for those who must change their jobs and pension schemes for those who are too old to move. Even more important, governments are attempting to generate new industrial growth in rural areas so people will not be forced to move too far from their home area. Governments at long last realize that they must help farmers to manage the agricultural industry. They must be able to help farmers develop marketing procedures, to move products to market

in an ordinary fashion, and more necessary, limit output to the demands on the market.

In the age in which we live, governments must have staffs of economists and statisticians to predict the future as accurately as possible and they must try to make sure that extension men, engineers, farm credit advisers and others speak with one voice and carry the correct advice to the farmers. On the other hand, farmers must do their part to raise their incomes.

It is not enough for governments and farm organizations to help with the jobs of training, drainage, farm consolidation and overall rural development if the individual farmer refuses to use the good sense he was born with. If he refuses the training, persists in buying machinery out of all pride rather than necessity, insists that farm records are not necessary and that expansion is out of the question, there is very little that anyone or any government can do for him.

There is no point in paying him more for his products than they are worth, or wasting time talking endlessly to him about things he should do. If such a farmer prefers to continue with a closed mind, he cannot be helped. It is a waste of the extension man's time and the cash and credit of the taxpayer to bother about him for long, but we must be sure to provide him with new opportunities, and the perspective to see them as opportunities. Until every small farmer has been given the chance to choose between several alternatives, both in farming and outside it, the job of the public service to agriculture is not finished.

Farmers must attempt to set up a strong, unified organization which will be capable of negotiating on their behalf with other parts of the food industry or with government. Unless they can bind their conflicting interests together, they will not be able to assist and advise governments in the development of sound, long term policies; without those sound, long term policies, no farmer can make plans for the future. I am optimistic about the future of agriculture in eastern Ontario because in the last few years, governments at all levels are more concerned than ever before about farm income.

In Ontario, we are going full steam ahead in attempts to develop and adjust policies which will assure a position of strength for agriculture in the general economy. Until recently, the vast majority of people in Canada have ignored two subjects—food because we have never been hungry, and pollution, because it has never really been a health hazard until recently. Fresh air and water, the woods, the farms and the open spaces, have been taken for granted, just like our plentiful supplies of food.

Factory waste, which finds its way into the lakes and streams and kills the fish is a form of pollution. Animal waste from our farms, the sooty smoke from our factories, the careless use of chemicals and insecticides can all contribute to pollution. The pollution dangers have increased with the increase of industrialization of our province, concentrations of population and the introduction of new production technology both within and outside agriculture.

We are fortunate in Ontario and Canada, that our problems are much fewer than those of our neighbours to the south, and most countries in the world. We are fortunate to be in a position where we can benefit by our experience and correct this evil. It will require the co-operative understanding and support of people in all walks of life.

Although the smoke from smelters, agricultural chemicals, the sewage from towns and cities and the refuse and the sewage from pleasure crafts and boats and the factory waste are causes of pollution, lack of responsibility on the part of the general populace, and to some degree, lack of knowledge, this problem goes far beyond provincial boundaries, and the sooner the entire population realizes that this is everyone's problem, and that it is having an adverse effect on everyone, laws and regulations will likely be required, and everyone must play their part to co-operate to the fullest.

Mr. Speaker, I would like to conclude these remarks by commending the hon. Treasurer of this province for his 1968 Budget—another sound investment in the people of Ontario and in our dynamic economy!

Mr. J. E. Stokes (Thunder Bay): Mr. Speaker, it has often been said by members of this House that Ontario is the province of opportunity. Statistics prove that this is a fact. That is if you happen to live in southern Ontario.

Ontario accounts for four-fifths of the nation's fully manufactured goods and a large share of Canada's financial power, mineral, agricultural, and forest resources. Economically, Ontario is 40 per cent of Canada.

In 1967, the value of goods and services produced in Ontario totalled $25 billion. During 1967, 132 major new manufacturing plants opened in Ontario, valued at $91 million. A further 262 companies expanded their

manufacturing facilities last year. Manufacturing shipments in Canada during 1967 amounted to $38 billion, over half in Ontario.

New investment capital in Canada amounted to $2.7 billion; again, over half was invested in Ontario. The yearly increase in population in Canada was 378,000 and Ontario accounted for 174,000 of this increase.

At a glance you would be inclined to believe that this province really had a great deal to offer, and it has, if you happen to live in the area referred to as the "golden horseshoe." Almost all of the manufacturing activity, capital investments, and population increases, have taken place in one-fifth of the province, in the south. In the remaining four-fifths we are still trying to impress upon this government that northern Ontario has been neglected for far too long.

Let us look at what has happened in northern Ontario as a result of the equalization of industrial opportunity plan announced during the election of the fall of 1967.

To June 4, 1968, five loans totalling $831,749 created 181 jobs in northern Ontario. One of these was to Allied Chemicals, for a plant at Falconbridge, and this loan was for the maximum of $500,000. In eastern Ontario, 12 loans were granted, amounting to $2,274,913 and creating 452 jobs. In the rest of Ontario, 14 loans were granted in the amount of $1,879,816, which created 562 jobs. That is a total of $5 million of taxpayers' money which has been handed out, but how much equality in industrial opportunity did we have?

There were a total of 15 Canadian companies who benefited, 12 foreign owned and four mixed. More than half of the loans went to non-Canadian companies. This plan was to encourage industry to locate in underdeveloped areas of the province, with forgiveable loans as incentive. Ten million dollars was allocated for this purpose and the municipalities wanting to participate were to apply. Some 308 municipalities made application and 236 were approved.

Northern municipalities are not better off than they were before. All northern communities have made application and yet only three—the Lakehead, Kenora, and Falconbridge—have been able to obtain loans. Now, northern municipalities are no better off than they were before and are competing with the 236 others that have gotten approval. But only five of these loans have been granted to northern municipalities, and, to date, northern Ontario has only received five of a total of 31 loans under the EIO programme.

Let us look at what happened under the conventional Ontario development corporation loan from its inception in 1963 to June 4, 1968.

In northern Ontario, four loans have been granted, totalling $565,000. In eastern Ontario, eight loans valued at $1,409,000 were granted and, in the rest of Ontario, 12 loans totalling $2,794,000. Of all ODC loans in the past five years, northern Ontario has received four out of 24 and $565,000 out of a total of $4,768,000.

Looking at the location of new industries in Ontario in 1967, six were located in the east, two in the northwest, four in the northeast, 13 in the Georgian Bay area, nine for Lake Ontario and 18 in the midwest, 15 in Niagara, seven in Lake Erie, six in Lake St. Clair, and 52 in the central area. Northern Ontario welcomed six new industries out of a total of 132 located in this province in 1967.

Just so as I am not being too critical of the provincial government, I would like to read a press clipping from the Port Arthur *News Chronicle* of March 30. It says:

> The flying visits of Cabinet members to the Lakehead are continuing as candidates for the Liberal leadership drop in to chat and make their pitch for the support of the party delegates who will be voting at the next convention. Certainly northwestern Ontario cannot complain about being forgotten or overlooked by politicians—whenever they want them.
>
> One of the latest of these was External Affairs Minister Paul Martin, who is rated as being one of the top three finishers at the very worst, and for whom every vote is important. What did Mr. Martin talk about? Why, accelerating Canada's economic growth by placing greater stress on the development of northern Ontario's resources. He said if he were Prime Minister, he would introduce a vigorous programme of development of the resources of northern Ontario, northern British Columbia and the northern sections of the prairie provinces.

How many times have the people of northern Ontario heard such things before? They have heard them from the lips of every politician of every party, during every election campaign, both federal and provincial. But it is only during the campaign that such things are heard, not afterwards.

Mr. Martin has been the senior Cabinet member and acting Prime Minister in the present government since it came into power in 1963, yet it is not apparent that he swung his influence for northwestern Ontario's side when all the public bodies here were pestering the federal government to extend to this region the benefits of being a designated area, so that secondary industry would be easier to attract.

Come to that, neither it seems, did any of Mr. Martin's Cabinet colleagues. Industry Minister Drury said, "No," definitely and firmly and not a peep was heard out of any of the Cabinet about the need to boost the development of northwestern Ontario resources.

It may well be that when these politicians come up here, they really mean what they say while they are saying it. The trip from Ottawa and Queen's Park may open their eyes for a fleeting moment and make them realize the opportunities that are being missed, but once they get back on their home grounds, they forget. So Mr. Martin's promises of programmes to stimulate the economic development of the northern regions should be taken as an exercise in traditional electioneering practices and nothing more.

Mr. Speaker, I have quite a lot more to say in my remarks and, with your permission, I would like to adjourn the debate.

Mr. Stokes moves the adjournment of the debate.

Motion agreed to.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, on Monday we will continue with the estimates. I would like to remind the members of the affair being held by the Lieutenant-Governor on Wednesday evening, and in no circumstances, it is my understanding, will the House sit next Wednesday evening.

Mr. D. C. MacDonald (York South): We continue with the estimates of the Attorney General?

Hon. Mr. Rowntree: Yes.

Hon. Mr. Rowntree moves the adjournment of the House.

Motion agreed to.

The House adjourned at 2:00 of the clock, p.m.

No. 139

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Monday, July 8, 1968

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JULY 8, 1968

The House met at 2:00 o'clock, p.m.

Prayers.

Mr. Speaker: Petitions.

Presenting reports.

Motions.

Introduction of bills.

THE SCHOOLS ADMINISTRATION ACT

Hon. W. G. Davis (Minister of Education) moves first reading of bill intituled, An Act to amend The Schools Administration Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Davis: Mr. Speaker, there are a number of amendments in here that relate to Bill 44 and the legislation the committee will be discussing tomorrow morning. The Schools Administration Act will also provide for an increase in honorarium to the trustees. It refers to an extension of the board and lodging principle and two or three other matters of some interest, but this bill will be going through the education committee for discussion there.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, can I ask the Minister if the legislation contains provision for a transfer review board?

Hon. Mr. Davis: Mr. Speaker, I think the leader of the Opposition is referring to a transfer review board. No, it does not refer to a transfer review board and I thought this was a matter that we could discuss at the education committee. This has been communicated to the Ontario teachers' federation.

Mr. Speaker: Introduction of bills.

The member for York South.

Mr. D. C. MacDonald (York South): I have two questions for the Minister of Labour.

1. When will the award of the board of arbitration, chaired by Mr. J. B. Metzler, in the dispute between St. Mary's general hospital, Kitchener, and the Ontario and London building service workers' union, local 220, be released?

Hon. D. A. Bales (Minister of Labour): Mr. Speaker, in reply to the question from the hon. member, I am advised by the chairman of the board that he expects to be able to release that report within a week.

Mr. MacDonald: Mr. Speaker, I wonder if the Minister would permit a supplementary question? What conceivable explanation is there for the fact that the hearings were concluded April 2—over three months ago—and we still do not have a report?

Hon. Mr. Bales: Mr. Speaker, the report had been drafted but it has not come back from the two other members as yet. I have made enquiries about it and I think the hon. member received a copy of a letter this past week, about this matter and it will be dealt with within a week.

Mr. MacDonald: You have not answered my question. What conceivable explanation is there for a three-month delay?

Hon. Mr. Bales: I think the explanation is simply that the members have not yet returned their report. I am sure they will very shortly.

Mr. MacDonald: My second question to the Minister of Labour is: Will the Minister invoke section 7, subsection 6, of The Hospital Labour Disputes Arbitration Act, 1965, to implement the award of an arbitration board in the dispute between the Woodstock general hospital trust and the London and district building service employees union local 220, released on May 8, concerning which the hospital management has refused to meet with the union since that date?

Hon. Mr. Bales: Mr. Speaker, in reply to the question from the hon. member for York South, under the Act the Minister does not invoke section 7, subsection 6, of The Hospital Labour Disputes Arbitration Act. If either of the parties draws to an arbitration board's attention the fact that an award has not been implemented, the board is then empowered under section 7, subsection 6, of

the Act to make a collective agreement that will be binding on both parties. In this case the union drew this matter to the department's attention only last week and the department conveyed to the chairman of the board the fact that an agreement had not been implemented. It will now be up to the board to see that it is implemented.

Mr. Speaker: The member for Sandwich-Riverside has a question from last week.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question for the Minister of Health. What steps are being taken to reduce or eliminate the air pollution emanating from the Canada Cement plant at Zorra?

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, this plant and others in the area are presently under survey by the air pollution control division and their sampling network has been put into operation in the area to determine the extent of the problem. The programme will be worked out on the basis of those findings.

Mr. Speaker: The member for Sudbury.

Mr. E. W. Sopha (Sudbury): I have a question of the Attorney General, Mr. Speaker. Is it a fact that Myer Rush has expressed a willingness to return to Ontario voluntarily? If such is the case then will the Attorney General inform the House why he maintains expensive proceedings in the courts of the United Kingdom to compel his return rather than facilitate the voluntary return of Mr. Rush to Ontario under appropriate conditions?

Hon. A. A. Wishart (Attorney General): Mr. Speaker, when Mr. Rush expressed the desire to return to Ontario voluntarily, we immediately enquired as to what appropriate conditions might be imposed by the court to ensure his return. Unfortunately there is no authority for the court to impose any conditions, nor is Scotland Yard in a position to do so.

If our application is withdrawn, Mr. Rush would receive his passport back from the police and be free from the jurisdiction of the court. In light of the past experience in similar matters we thought it best to proceed in such a way as the law provides and not to rely upon an unenforceable voluntary suggestion given by Mr. Rush. We did not have too much faith in that suggestion.

Mr. Sopha: May I ask a supplementary question? Has the Attorney General become acquainted with any offer by Mr. Rush to surrender his passport to another person, mutually agreed upon, in order to ensure that he will not use it himself, or any improper person?

Hon. Mr. Wishart: Not that I am aware of, Mr. Speaker.

Mr. Speaker: The member for Hamilton Mountain.

Mr. J. R. Smith (Hamilton Mountain): I have a question for the hon. Minister of Health. When is approval of the amalgamation of the Hamilton and Wentworth boards of health to be announced?

Hon. Mr. Dymond: Mr. Speaker, the regulations describing the constitution of the board of health of the Hamilton-Wentworth health unit comes into effect on July 9, when the new health unit will be established for all purposes.

Mr. Speaker: The member for High Park.

Mr. M. Shulman (High Park): Mr. Speaker, I have a question for the Minister of Health. Do ambulance operators in Metropolitan Toronto, who pick up a body and have it pronounced dead at the hospital and then take it on to the morgue, charge the Ontario hospitals services commission $40 for such calls? Does the Minister think that this is an expensive charge, and does he intend to take steps to reduce this cost?

Hon. Mr. Dymond: Mr. Speaker, no charge is made to OHC for the transfer of a body from a hospital to the morgue. The fee for this service is recovered from The Attorney General's Department. I would therefore not presume to give an opinion as to whether this charge is excessive or not. The whole matter of ambulance costs is continually under review, since this is a new insured service, we are watching very closely in order to learn from our experiences.

Mr. Shulman: Inasmuch as the question should have been directed to the Attorney General, can I submit it to him as notice at his convenience?

Mr. Speaker: Orders of the day.

Clerk of the House: The 11th order, the House in committee of supply, Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF THE ATTORNEY GENERAL
(Continued)

On vote 210:

Mr. J. Renwick (Riverdale): Mr. Chairman, I would just like to speak very briefly on the question of wire tapping and try to draw some of the distinctions which are going to have to be made by the government when it is considering the question of wire tapping, both from its own point of view, and whatever submissions they may wish to make to the federal government.

Really, what we are talking about—it is a question of eavesdropping, which I think, is a better and more inclusive term than wire tapping—is the extent to which we are prepared to protect communications between individuals and groups of individuals from invasion, and to protect the privacy of communications. I do not think that we run into quite the same problem when we are talking about written communication as we do with spoken communication. In written communication, you can usually find some method by which to tag the person who intervenes on a written communication with trespass or theft or some such known offence, related to tangible property, under the criminal code. And, of course, under The Post Office Act of Canada and the regulations made under it written communications going through the mail are very highly protected.

However, when we move into the area of eavesdropping, we find a situation where a communication can be interrupted and heard by someone for whom it is not intended, without interfering with property. I would like not to get sidetracked into subtle legal distinction between wire tapping as such, and electronic eavesdropping by means of microphones—and, on the other hand to avoid the problem of the wire tap in its property aspect. The interruption or the interception of a message being transmitted by telephone or other wire communication involves the interference with property in one of its uses, and with the ownership of property and, in this sense, by and large, the law is reasonably satisfactory.

I do not agree with the member for Downsview that section 372 of the code, which deals with mischief in relation to the enjoyment of property can, in fact, be extended to cover the kind of electronic eavesdropping which is of major concern these days.

I would like to set aside for the moment any subtle distinction that can be made between wire tapping on the one hand and electronic eavesdropping on the other, and deal with the broader question of the invasion of privacy of communication as such and the extent to which, in our society, this government should give some consideration to reinforcing the protection which we all assume our private communications have.

There is no doubt, Mr. Chairman, that in the field of civil law—that is the field separate and distinct from criminal law—the government of the province of Ontario could, if it wished to do so, by statute create a civil right in individuals which would permit them to sue in the courts for damages or for punitive damages if an analogy were drawn between slander and invasion of the privacy of communication.

This could be done either by the courts extending the principles of libel and slander or some other civil right, or it could be done by statute of the province. I would hope that the Attorney General would at least consider the possibility of legislation to provide a civil right to a person who has had his privacy invaded, in the sense of the invasion of his privilege of private communication, so that he could sue in a court for damages and, if necessary, for punitive damages, for that kind of an invasion of his rights.

I would make only one other minor point in connection with that—that in the kind of civil rights that I envisage the Attorney General creating by statute, I do not think that the proposition of whether it is true or false should enter into the protection which a citizen should get; if you assume that the communication is to be protected in its privacy, then the mere intrusion into that communication which was otherwise private, should give rise to the right. And whether or not the information that was picked up during the course of that, was true or false, should not be a determining factor in fixing liability.

When one moves into the field of statutory regulation by this province—by passing some kind of a statute which would be within the constitutional power of the province—or whether one deals with it as a matter to be dealt with only under the criminal code. I think that in many ways Ontario must be the kind of workshop within which constitutional change whether enactments of this Legislature or the Parliament of Canada can be tested, and attention should be given to dealing with the problem here.

The major concern I have is whether or not you can, in fact, effectively outlaw electronic eavesdropping or whether you must do it only in such a way that a civil right arises for this kind of eavesdropping. My own view is that it should be possible for the province of Ontario—as at least an intermediary step until the government of Canada decides to amend the criminal code to make it an offence—to pass some kind of law which would prohibit the use of electronic devices and microphones for invasions of the privacy of communication, and to impose statutory penalties which I think would go some way towards showing public concern about the need to regulate this kind of invasion of a civil right.

Assuming for the moment then, that in the final analysis one level of government or the other will decide to outlaw and make it an offence to invade the privacy of communication between individuals—

Mr. V. M. Singer (Downsview): Or both in complement.

Mr. J. Renwick: —or both in complement—then I think we come to the more difficult question and that is the extent to which there would be any exceptions in favour of the police or other government bodies in having the right to invade the privacy of communication. And I say "other government bodies" because one can certainly envisage the situation where The Treasury Department of this government, for example, if they felt they were being defrauded in a substantial amount of money of the revenues of the province, might feel they were justified in engaging in electronic eavesdropping. The same may also be true of the racing commission. One could name many other branches of government that might feel that they had a justification in the public interest to invade the privacy of communication.

I think it is important that we make it perfectly clear that any exception which is made is made for the police and for the police alone, and not for any other branch of the government or any other commission or instrument of the government.

When you come to the extent to which police should be limited in the use of eavesdropping for their purposes, I find great difficulty with the two tests which the member for Downsview laid down as being ones which would be satisfactory to him. I felt they were extremely vague and very difficult for anyone to analyze properly to come to a conclusion that an exception should be made. If I recall correctly the words of the member for Downsview, he referred to a situation of unusual importance, and second that the police would be unable to gather evidence in any other way, as the criteria by which a judge of the court would grant permission for eavesdropping.

I think that the criteria must be much more refined than that to enable the person, whoever it is who is to grant the authority, to come to any kind of a decision on it. And I would suggest, for want of some better criteria, simply the basis that the police who are making the application have reasonable and probable grounds to believe that a crime is about to be committed; or have reasonable and probable grounds to believe that they would be able to obtain evidence in support of a conviction in the case of a crime which has already been committed; and in the third area—which is the much broader one, but which I think is where the public interest requires protection—that they have reasonable and probable grounds to believe that there is organized and syndicated crime in a particular area involving specific persons, which the public interest requires should enable the police to exercise this kind of surveillance.

Those three criteria, Mr. Chairman, in my view, would then enable the person to whom the application is to be made to exercise the kind of judgment which is required to be exercised in this area.

Mr. Singer: Is that tighter? It sounds as loose and as vague as you can possibly make it.

Mr. J. Renwick: I think that the police should be in a position to establish to the satisfaction of the person to whom the application is being made, that they have reasonable and probable grounds.

Now, in the three areas to which I made reference, one is that the crime is about to be committed—

Mr. Singer: That could be stealing a loaf of bread.

Mr. J. Renwick: Yes. The crime that is about to be committed. I have not finished my argument. I am speaking of a crime. I am speaking of the tests involved. Reasonable and probable grounds to believe that the crime is about to be committed; reasonable and probable grounds for believing that they can obtain the kind of evidence which would lead to the conviction of a crime

which has been committed; or reasonable and probable grounds to believe that organized or syndicated crime exists in the province and that in the public interest this surveillance should take place.

Then you come to the question which the member for Downsview has raised: What is the kind of crime which you are speaking about? Do you allow it for every kind of crime, or do you limit it to anticipate crimes or crimes which have in fact been committed, or to organized crime in areas which are considered to be of serious concern to the public? The whole area of extortion, blackmail and the kind of racketeering which is involved in the phrase "organized or syndicated crime" may very well be the kind of area in which and surveillance should be permitted.

When you come to a specific crime which has been committed, or the police believe is about to be committed, then I think, in my view, it must be limited to a serious crime related to either person or property; and I presume the gradations in the code are sufficient to establish that kind of crime: that is, murder or arson or some such similar serious offence including, probably, the offence of kidnapping. Then I think you have to deal with another distinction which, to my mind, has not come through clearly at all and that is, in the province of Ontario at the present time, for practical purposes under proper safeguards, the court will now admit by way of evidence, information obtained by eavesdropping whether it be by means of a wire tap or whether it be by means of an electronic pick-up of an otherwise private communication.

I think the Attorney General should seriously consider whether or not evidence should ever be admitted in this way and whether in fact, such surveillances which may be permitted would be limited entirely to police intelligence work, so that the information which is obtained by the eavesdropping could provide leads and other information by which the police could carry on their police work for the purpose of coming into a court and proving guilt in the normal and usual way, rather than being given the advantage of bringing into court, under proper safeguards, a very simplified method of producing evidence that is by the production of the actual transcription of the communication which took place.

I incline to the view that the limitation which should be placed upon the police is purely that of police intelligence and that we should not permit in courts the introduction of evidence which has been obtained by this kind of eavesdropping. That is a distinction which I have an open mind about but certainly, at the present time, my view is that it should be limited to police intelligence work and not extended to the point where the product of eavesdropping could be produced in the court by way of evidence.

Another distinction which I think has to be made—my colleague the member for High Park has suggested a judge of the Supreme Court—I am inclined to view the matter as one which should fall under the Attorney General and that if any exception is to be made in favour of the police carrying on surveillance for intelligence purposes only, it should be made by the Attorney General. It may be that it should be to the police commission, but for the purposes of simplicity I would say to the Attorney General himself.

The reason I favour the Attorney General over a judge of the Supreme Court is that the Attorney General is present in an assembly such as this and is responsive to the use of the authority which he is granted, because he is subject to questioning about the extent to which surveillance is taking place.

Let me make it perfectly clear. I do not think that the Attorney General, should he be the one who is shouldered with this responsibility, should answer specific questions about whose communications were subject to this surveillance, but I would think that from the point of view of the public interest that if the Attorney General was responsive yearly to questions such as—"How many times was the discretion exercised and permission granted to the police to carry on surveillance through electronic devices?"—that this would be an ample safeguard, or at least a partial safeguard, for the public against an extensive use by the police of this kind of surveillance.

I think that kind of control appeals to me somewhat more than having an application to a judge of the Supreme Court of the province of Ontario who is entirely isolated from the kind of questioning, limited though it may be, which would be available to members of the assembly and who, in this sense, would keep the Attorney General, as the responsible Minister, responsive to public opinion.

It has, of course, other dangers; when you move into a time of heightened public concern about one area, you may well find that the public would condone a wider use by the Attorney General of the right to grant

such permission than should be tolerated. But I think in any democratic system that one has to accept the risks of relatively wide oscillation from time to time in what the public may or may not consider to be permissible.

Mr. Chairman, I do not think that I can usefully comment further about the problem. My major concern was that the question, having arisen in the way it has arisen in this assembly, should at least provide a specific focus in which a debate could take place. My second concern was to attempt to lay before the assembly some of the basic but very fundamental distinctions which have to be made when any consideration is given to the whole question, in its broadest context, of the privacy of communication between citizens.

I hope in these remarks I have made those distinctions in such a way that the Attorney General, either now or later, might feel that he could comment on them.

Mr. J. H. White (London South): Mr. Chairman, if I may comment just briefly on the subject: some of the hon. members will recall that I have been a participant in debates on this matter on two or three occasions over the years, and that I hold the view that the police should be permitted to use this technological instrument in their continuous fight against crime, but that this use must be very closely controlled, I should think, by seeking and obtaining the permission of a superior court justice.

You may recall, Mr. Chairman, when I dealt with the subject a few years ago, I made reference to commercial eavesdropping and I was glad to note that the car dealers in London and the Bell Telephone in London, who have been using hidden microphones to listen to conversations often between a man and his wife, or between a customer of the Bell Telephone and one of the business representatives, discontinued those commercial operations almost immediately—in fact, one car dealer was up until two o'clock in the morning removing the eavesdropping equipment.

So I do think that this subject should be acted upon in the way that I have suggested. I think that the legislation, when it comes, should embrace both police officers and laymen of one kind or another. I am thinking not only of private detectives but of laymen of every description.

I am prompted to add this latter qualification at this time, Mr. Chairman, because I have in my hand a transcript from the Parker Royal commission and I note an example here, which I use for illustration, of how eavesdropping is undertaken from time to time by public officials, and I say this in the same moral category—

Mr. M. Shulman (High Park): Mr. Chairman, a point of order.

Mr. Chairman: Order! A point of order?

Mr. Shulman: On a point of order, before we go further in this, Mr. Chairman, the hon. member has referred to the Parker Royal commission. The only incident of eavesdropping as he has referred to was the taking down of information of a conversation which took place on my own line. It was taken down by my secretary on my instructions. There is no relationship whatsoever to wire tapping.

Mr. Chairman: I do not believe the member really has a point of order.

Mr. White: Mr. Chairman, perhaps I could develop this thing for a minute or two and then the hon. members present can comment on whether or not this falls in the general area which is of obvious concern to this Legislature.

The eavesdropping that took place in the car dealer's premises, of course, were using his own equipment and his own premises to listen to the conversation taking place between a stranger, so to speak, and an agent of the car dealer. I think we all recognize that that is blatantly immoral and if it is not immoral, then the sign on the wall of the closing office should have said, "This conversation may be monitored by the sales manager".

If it was moral, and if it was ethical for the Bell Telephone Company to have supervisors overhearing the conversations between customers and business representatives through a microphone hidden in the little metal calendar, why did they not have a sign on the calendar saying: "This conversation may be listened to at any time in an effort to check the service being given to our customers and in an effort to render better service to you and others."

I see this in the same category and I note on page 2263 of the transcript the exchange between the commission's counsel and the secretary to Dr. Shulman, and I am going to read these several extracts.

Question: "Was Dr. Shulman there?"

Answer: "Yes he was, he was in his office."

Question: "And took the call?"

Answer: "Yes, he did."

Question: "And did you hear any of the conversation?"

Answer: "Yes, I stayed on the line."

Question: "And do you recall what the conversation was about?"

Answer: "I took notes after the conversation and I referred to those notes last night."

On page 2268:

Question: "Did you make a note of all conversations on the phone when you were there?"

Answer: "Not all."

Question: "Which ones?"

Answer: "Oh, if Dr. Shulman asked me to I did."

On page 2269:

Question: "Were you told by Dr. Shulman to make a record of the conversation?"

Answer: "Yes."

Question: "Before it even started?"

Answer: "Yes."

Question: "Did he say why?"

Answer: "No."

Question: "Have you any other notes of any other conversations you had reported this way?

Answer: "I have, I do not have them with me."

Page 2270: Part of an answer: "Dr. Shulman did often tell me to make a record. Sometimes I did when the conversation was going on, sometimes afterwards".

Farther down the same page, an answer by the secretary: "He said to me to listen in."

Question: "He signalled you to listen in?"

Answer: "Yes."

Question: "Are you in the same room?"

Answer: "No, we are in the next room. I can see him in my doorway. I usually hold on to the phone, lean in and tell him to take it."

Now, Mr. Chairman, it is easy enough to dismiss this idea out of hand but it seems to me that a police officer utilizing the most sophisticated equipment, perhaps not even attached to the telephone line itself, or a lay person, listening in on a switchboard, or an agent, listening in on an extension, fall into the same category philosophically. I see no difference at all.

Mr. E. W. Sopha (Sudbury): How can you suggest that?

Mr. White: I do not know, but you can certainly limit the use to which the information gained in that secretive and unethical fashion is used. At any rate I do, once again, say to the Attorney General that this troublesome area must be brought into control, and this must be accomplished through legislation. In conclusion I want to summarize my point.

First of all, modern equipment must be available to police forces in seeking out criminals.

Second, the police must not have this power unbridled.

Third, permission must be sought for and obtained in advance, preferably, I should think, from a member of the Supreme Court.

Fourth, not only police officers but laymen must be subjected to this legislation.

Fifth, not only the most sophisticated electronic equipment but cruder methods of overhearing private conversations must also be considered and dealt with in the legislation.

Mr. Sopha: If you proceed this way you will never identify Henry's other wife.

Mr. Chairman: The member for High Park.

Mr. Shulman: In a way I am rather pleased that the hon. member for London South brought this matter up. In my usual restrained way I was not going to mention these matters here in the Legislature, having hoped that the Attorney General and his department had learned their lesson from this. But since the hon. member for London South has brought this matter up, perhaps I should inform the House, or those members who are not aware, what the matter was that was being eavesdropped on. First of all, Mr. Chairman—

Mr. White: On a point of order. I think it would be a very great mistake, sir, to let this debate on wire tapping and eavesdropping degenerate in a rehash of the enquiry. My objection and the—

Interjections by hon. members.

Mr. Shulman: Mr. Chairman, on this point of order, I had no intention of bringing this matter up; it has been brought up by the member for London South. He has imputed certain conduct. I believe I should be allowed

to elaborate on the matters that were listened in upon.

Mr. Sopha: I would not call you on the phone.

Mr. Shulman: I hope not.

Mr. Chairman: It seems to the Chairman that any discussion regarding wire tapping at this particular point in the estimates of The Department of the Attorney General should be confined to generalities without any particular references to specific occurrences, and I think that the debate may continue on a general basis.

Mr. D. C. MacDonald (York South): On a point of order, Mr. Chairman, I have no objection to your ruling, but having permitted the hon. member for London South to deal deal with specifics, I think the member involved has every right to give the full story. Then if you want to restrict it to generalities from that point forward I think maybe that would be wise, but we have gone too far now to stop at this point.

Mr. Chairman: I would say that the Chairman was not perhaps listening to the member for London South quite as closely as I should have been, and I missed the element of specific discussion of any particular case. If that was the situation then I do believe that the member for High Park should be able to clarify any misrepresentation that might have been made.

Mr. Shulman: Thank you very much. First of all on a matter of generalities, let me say that there is a very grave difference between listening in at a car dealer's between a husband and a wife discussing, in a supposedly private room, a conversation they thought no one else was hearing, and a man having his secretary listen in on his own conversation and taking records of that conversation.

Mr. White: Did you tell your callers that you were having their conversation recorded?

Mr. Shulman: To answer the question from the interjection: No, I did not.

Mr. White: No, well that is the point.

Mr. Shulman: Mr. Chairman, it was the Deputy Attorney General. May I say—

Mr. White: Take your coat off and—

Mr. Shulman: If the member wishes the floor I will be glad to yield it to him.

Mr. Chairman: The member for High Park has the floor.

Mr. Shulman: May I say that this occurred on two or perhaps three occasions, and I may say, Mr. Chairman, that the only calls I had my secretary listen in on, and write down the text of the conversation, were those of The Attorney General's Department. The reason we found it necessary to do that, and this came out in the Parker Royal commission, was for the simple reason the Deputy Assistant Attorney General has a very poor memory and he sometimes forgot matters which were of some importance, and sometimes he remembered them as occurring somewhat differently—

Hon. A. Grossman (Minister of Correctional Services): That is what the police say about witnesses.

Mr. Shulman: Exactly, exactly—somewhat differently from the way they did occur. The circumstances which were brought up here by the member for London South—I wish to inform the Chairman before I go on to the general remarks—were the fact that the Deputy Assistant Attorney General, and I am sorry I do not have his exact comments here, said on the phone and these words were written down—that a man could not be hired as a coroner because he was of Hungarian extraction. That is what the member for London South has brought up and I am sorry he brought it up because I had hoped that this matter was now a dead issue.

Mr. Sopha: Mr. Justice Parker found against you on that.

Mr. Shulman: Not on that matter, he did not. Read the report!

Mr. Sopha: He found against you on all issues.

Mr. Shulman: He did his best on most issues, he certainly did; he did his duty as a good Conservative. However, to come back to another good Conservative, the member for London South, I had hoped, Mr. Chairman, coming to generalities now, that the member for London South had enough intelligence to understand that what we are talking about here in this House at this time is wire tapping—listening in on someone else's phone to a supposedly private conversation between two individuals who are unaware that a third party is listening in on their conversation.

I should hope that if the member for London South does not understand the difference,

at least the Attorney General (Mr. Wishart) does, and this is what we find so offensive. There is nothing wrong, let me say now, in a man having his own conversations written down. I find nothing offensive in that whatsoever.

Mr. MacDonald: The Bell Telephone Company will provide you with a device that will record it.

Hon. Mr. Grossman: You cannot phone me without telling me that someone else is listening.

Mr. Shulman: And may I inform you, Mr. Chairman, and through you to the Minister of Correctional Services that these conversations were not a matter of my having someone. The calls were from The Attorney General's Department.

Hon. Mr. Grossman: You did not tell the party who was talking to you.

Mr. Shulman: Now let me stress again. There are certain instances where, of course, the police should have the right for national interest, or matters of serious crime, to listen in on conversations, but that decision should not be made at the police level. It should be made at the level of the Supreme Court. The decision should be made in the form of an *ex parte* order *in camera,* because obviously if you are fighting international crime, or if it is a matter of treason, or some very serious matter of this nature this is essential. But let me say that the police definitely should not have the right at whim, and particularly what can be a relatively unimportant—

Mr. White: It should be made by you!

Mr. Chairman: Order!

Mr. White: Should coroners have the right?

Mr. Shulman: No one should have the right to listen in to other people's conversations at any time without permission of the Supreme Court.

Mr. White: Well, that is what you did.

Mr. Shulman: The member still does not understand, Mr. Chairman, that this was not a matter of listening to a conversation of two other people. It was the matter of listening to one's own conversation; if the member does not understand that now he never will.

Hon. A. F. Lawrence (Minister of Mines): Talk to yourself.

Mr. Shulman: But I assure you, Mr. Chairman, every other member in this House understands, with the possible exception of the member for London South.

Hon. Mr. Grossman: I wonder what the hon. member's secretary, listening to the private conversation, or what someone thought was a private conversation between two other people—I wonder what her position would be under his system.

Mr. Shulman: No.

Hon. Mr. Grossman: The hon. member had better let that alone.

Mr. Shulman: Mr. Chairman, I must withdraw my earlier comment about the member for London South. I said—

Hon. Mr. Grossman: The late J. S. Woodsworth would turn over in his grave if he could hear this NDP defense of this Orwellian double talk.

Mr. Shulman: I said the only man in this House who did not have the intelligence to understand—

Hon. Mr. Grossman: Does the hon. member for Peterborough (Mr. Pitman) agree with the leader of his party?

Mr. Shulman: There is another member, the Minister from St. Andrew-St. Patrick.

I withdraw my comment and apologize to the member for London South. Now, I am sure, Mr. Chairman, you see the distinction. I am sure every member in this party sees the distinction. I am sure the members of the Liberal Party see the distinction. I am sure every other backbencher in the Conservative Party sees the distinction and ultimately, it is going to sink through to the member for London South and perhaps even to the "member from Spadina." But Mr. Chairman, this is the basis and it is an extremely important matter. For goodness' sake, explain it to them.

Mr. Sopha: My Lord, this is an application on behalf of Dr. Shulman to permit him to record telephone calls.

Mr. White: I would like to explore the distinction which the member is attempting, without success, to make; and I must say, by way of preface, that I have noticed the philosophy and standard of ethics is quite different for others than for himself.

Would it likewise have been all right if the conversation had been monitored by a—

Mr. Shulman: Mr. Chairman, on a point of order.

Mr. Chairman: On a point of order.

Mr. Shulman: I think the member has just imputed my conduct. I would like him to substantiate or withdraw—

Mr. White: I have no comment on your conduct and I am not going to withdraw.

Mr. Shulman: Mr. Chairman, on the same point of order, if he has no comment on my conduct, the member for London South has stated that I have a different set of standards for myself and for other people. I would like him to substantiate or withdraw.

Mr. White: All right. I will now attempt to substantiate.

Mr. Shulman: Then he must substantiate or withdraw, Mr. Chairman.

Mr. White: I will now attempt to substantiate.

Mr. MacDonald: Do not make irresponsible comments. You have an obligation for responsible conduct subject to rules of the House.

Mr. White: I have been invited to withdraw or substantiate my remarks. I will now attempt to substantiate my remarks.

The hon. member has claimed a special right to have telephone conversations overheard by his agent although the other party of the conversation is not aware of it. This is in no way different, surely, from one party to a private conversation on a telephone—let us call it the Bell Telephone Company—having his agent listen in to a private conversation where the other party has no knowledge of that eavesdropping. It is a loophole, sir, which must not be permitted, because if it were, then one party to a private conversation could have either an electronic recording device or an agent—whether that agent be a secretary, policeman, a detective or what else—and that is the difference that you cannot comprehend.

Mr. Chairman: Vote 210?

Mr. White: Because if you are insensitive—

Mr. Chairman: Vote 210?

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman—

Mr. Chairman: The member for Lakeshore on this particular point?

Mr. Lawlor: Mr. Chairman, I am not going to say much on this particular point except to say that there is all the difference between day and night intercepting the conversations of third parties and having someone act as a conduit when you get a call directly through to yourself. Really!

In any event and keeping it fairly general, but referring back to the *Telegram* of last Thursday—I will not make any mention of the specific incident involved—but arising out of that is the role of the police in this province and the governance over the police administration touching wire tapping and eavesdropping.

At that time, I did not go on because I felt we could stretch the debate to any length, nor do I intend to today. As I said in my opening statement, which seems light years ago, sir, that it would be, as far as I was concerned, a major matter for debate in the next session on The Attorney General's Department—this whole area of privacy and invasion by scientific and other devices—and we should really launch into doing about it, and seeking to prevent something that has become very widespread and deep-rooted in the United States of America, as I shall indicate in a moment.

What I am interested in here, are the certain statements made by Judge Macdonnell, that the wire taps were not brought to the commission's attention. And he added that the police do not tell the entire commission every time they use electronic eavesdropping devices any more than they would before chasing a burglar. He thought that maybe chairman C. O. Bick might know a little more about it. But when he was contacted by the reporter, he refused to discuss it with relation to the magistrates' case, and I felt that the tone, if not the tempo, of the conversation left something to be desired, considering the role that he plays in this province and *vis-à-vis* The Department of the Attorney General.

He went on to say on the following page—and notice the somewhat snide tone about all this—that: "That the police should be able to use any sort of listening device but only with a warrant from a judge. It is not the police that the public should worry about." I certainly think it is the police that the public should worry about. They have the instrument, by and large, in their hands, though others in the form and field of labour competition, and what not, can obtain these devices. But certainly, insofar as his role is concerned, the police are the prime object. "It is not the police the public should worry

about. If some of the people throwing up their hands in holy horror would worry about the snooping being done by otherwise average citizens we might get some laws on the subject from all so-called legislators."

At the moment I suppose we are "so-called." But the minute we begin to move on this matter he will have to withdraw his rather caustic remarks as to the role we are playing herein. In the meantime, I would think the Attorney General might drop the hint to him, that they might exercise greater discretion, since our opinions—and those from all sides of this House have been made known that we all consider it a meretricious practice to be dropping in on the conversation of competitors; except under the strictest surveillance through the courts, it is a matter that must be brought to an end, and we, on our side, would do just that.

Now, ranging out beyond this, what is the position of the police in North America? In looking at Westin, and what he has to say, "the great bulk of crime in America and the primary work of law enforcement are both centered at the local level. The city, county and state agencies share jurisdiction over the investigation and prosecution of criminal acts". In 1965, William Shaw, the electronics editor of *Law and Order* magazine, conducted a nation-wide random survey of electronic eavesdropping by such local law enforcement agencies. Forty-two agencies responded, seven from cities of more than 150,000 population, 12 from cities of more than 50,000 and 23 from towns of more than 20,000. In all, 80 per cent of the agencies reported that they use wire tapping "occasionally."

Almost 30 per cent said they use it whenever possible. Over 35 per cent of the agencies said that they used regular wire-connected or battery-operated, hidden microphones. None would state that they were using the simpler and more popular wireless radio transmitter bug. Shaw explained that such "bugs" are now forbidden by FCC regulations. Eighty-eight per cent of the agencies said that their interrogation rooms were wired for eavesdropping—in other words, where lawyers meet with their clients, in income tax offices around that country, in various forms of police interrogation, in the police stations, wherever lawyers or with other people seeking confidential information would think they were in privileged premises.

Not at all, 88 per cent of the agencies said. I think that these are shocking and startling figures and I am sitting here today in this Legislature, and the hon. Attorney General, I am sure, is unable to tell us to what extent this is operative among the police forces in the province. This is indicated, and I use it for this purpose solely, in the comments made by chairman C. O. Bick of the metropolitan police commission.

My complaint, and what I want to hammer at in this regard, is that again, as the chief law enforcement officer, this is a direct and bounden duty on the Attorney General's part to be immediately in contact with this sort of thing. It cannot be shuffled of, or even pushed to arm's length. The police, as against the courts, is his direct and immediate responsibility. We want to know the range of wire tapping devices and what are the expenditures of money in this province in this way. We do not want them to operate their insulated little island of investigation, divorced from the commissions that were largely appointed to exercise some surveillance for the protection of the citizen against police methods in this regard.

The police, I say, appear to be, all over this continent, a free-wheeling, completely unregimented, untried, group who may in this wise, since we have no legislation, exercise whatever discretion they wish in this particular regard. The thing has become widespread and the danger to our personal integrity is very great, and we cannot urge it upon the Attorney General to a great enough extent that he must now appraise himself of all the aspects of wire tapping and eavesdropping in Ontario, and go about a method of bringing it within the ambit of the courts, and his department, in a direct and forcible way.

Mr. Shulman: Mr. Chairman, on a point of order, it looks as if we have a long hot day ahead of us. May I suggest that you might put it to the House that the members might be allowed to remove their jackets?

Mr. Chairman: I might say to the member that this is not a point of order, since there is nothing in connection with these debates which is out of order at this point and, therefore, it is not a point of order. I fail to see that it is actually a point of personal privilege.

In the Chairman's knowledge, permission for such action had been requested in the House about two years ago, I think, and permission was not granted at that time. I do not think that it is a matter upon which the Chairman has any authority that he might rule as part of the House rules. I can only say to the member that it has not been the custom over the years, and perhaps

someone other than the Chairman should rule upon the matter.

It has not been the custom or the conduct. Permission has been asked previously, and it was refused by the House, and I can only say to the member that if he or any other member does not observe these traditions, then he is breaking tradition, and as Chairman, I have no authority to deal with it. But it is not a point of order, or personal privilege, and I put it to the member in that way. It is not part of the traditional conduct of the members in committee, or the House itself. Does the Attorney General have any replies?

Hon. A. A. Wishart (Attorney General): Mr. Chairman, when the House adjourned on Friday last, I did not have the benefit of the interesting and thought provoking comments from the member for Riverdale, or the member for Lakeshore, and I would like, although I have prepared some remarks which I shall read shortly, and I took them down with car so I would say exactly what I thought should be said on this matter, I would like to comment on the additional debate which has taken place here today, although my remarks may touch quite closely to them, there are one or two things that I should say.

I listened with great care to the hon. member for Riverdale, particularly, and made note, and I assure him that I shall read *Hansard*, which I was not able to keep up with entirely, and I will find an opportunity there to study the suggestions that he made, particularly on the question that the province could pass legislation to give to the individual, a punitive damage right for invasion of privacy.

I think that that is something definitely deserving of consideration, and something which we will look at. I have not touched on that in these remarks because this suggestion had not been put forward, and while we may have thought of it in our general thinking, I had not referred to it here.

The three criteria as he put them forward, I think that generally I could go along with them, but I should like to study them at more length.

Mr. Sopha: In a minute he will say that he is going to send it to the law reform commission.

Hon. Mr. Wishart: No, I think not. I would, perhaps, come to that. This is not a question of law reform so much as it is initiation of new law. I think that the suggestion that the police be allowed to use wire tapping devices of an electronic nature for intelligence, or investigative purposes, but not as evidence, is also something worth thinking about, and the suggestion that the Attorney General should be the person to rule on the application, and justify such use, is another matter, which I confess, had not occurred to me.

But in the words of the hon. member, and those of Mr. McRuer, whoever passed upon the application, it would have to be shown to him to be reasonable, probable grounds. I think that is true. The reasonable and probable grounds for this method of securing intelligence would possibly be that they result, or lead to, a conviction. I am not sure that this should be put in a statute in any event. I think that that is the basis on which the application should be considered.

But these are things which I think the hon. members will agree are in need of study and definition in very close and specific detail. The hon. member for Lakeshore added something to his remarks of Friday last. I recall, on that occasion, that he used the expression that he felt the Attorney General was guilty of abnegation of his duty, or words to that effect, in that he did not step in and assert, and direct the police, as I take it was his approach, not to use this method of investigation—and he enlarged on that today.

The point I make is that without legislation this is perhaps where he would say, "Well, why have you no legislation?"—but without the legislation up to this point in the province—and I might add, in this country, as we have no national legislation, except The Bell Telephone Act. There is no authority, no more than there was the other day when I spoke about the use of Mace. There is no authority to direct any particular police force as to how they shall conduct their investigation.

Mr. Singer: But you can take that authority.

Hon. Mr. Wishart: Yes, and I shall come to that. I should like to say this. As long ago as a year and a half ago, at least, in February of 1967, we went to Ottawa to a federal-provincial conference on criminal matters, particularly criminal law, and the amendments which should be made. One of the briefs which we presented, one of the submissions which we made, and one of the matters upon which we took considerable time, was the matter of legislation to control the obtaining of information by police forces, particularly, because it had to do with

criminal matters, through the use of electronic devices—wire tapping and all the other types of eavesdropping material. We presented the view then, and we still feel, that it was a matter for federal law. Now, I shall refer to that in the remarks which I shall give to the House in a moment.

We felt that there should be legislation, and our position was that it should be permitted; that police forces should be permitted to use these devices in investigation of crime, but that it should be strictly supervised and controlled. And our suggestion was that by the obtaining of a court order by the police, and establishing the need for the right to act in this way—as the hon. member for Riverdale said, they would have to establish grounds, or reasonable and probable grounds that this would secure a conviction for a crime. Now that was the position we took a year and a half ago.

The Minister of Justice at that time was the hon. Mr. Cardin, in that conference. Sitting beside him was the late hon. Guy Favreau, and the hon. Larry Pennell, then Solicitor General. They have all moved from that area now, Mr. Favreau by death, Mr. Pennell has been elevated to the bench, and Mr. Cardin is no longer, I think, in the field of political affairs, as far as I know.

And we now have Mr. Turner, a new Minister of Justice. I would hope that with the new Minister of Justice, and the current Prime Minister being the former Minister of Justice, perhaps we can promptly and quickly pursue, with some hope of achieving a firm result, the proposal which we made a year and a half ago. I point out that it is not a matter which is of recent concern to us, and not a matter in which we have taken no action.

I think it is fair to say that perhaps we would be naive if we said we were not aware that police forces have used these means to obtain knowledge of the activities of criminals.

Mr. MacDonald: Even though they denied it on occasion.

Hon. Mr. Wishart: Although I can state, as I said before, that I have no knowledge of specific instances other than the one which has come to light in this particular enquiry. And I think this enquiry has focused attention upon this matter. It is something which perhaps the public was somewhat generally aware of, and the mere fact that it has come to light in this enquiry does not make it particularly more urgent, but I do point out that we were pursuing it a year and a half ago.

Mr. MacDonald: Furthermore, industrial espionage involving wire tapping is very widespread.

Hon. Mr. Wishart: Yes. There is the field within the civil situations where industrial persons, and perhaps individuals, spy upon each other. We eavesdrop upon each other in ordinary life. As the hon. member for Riverdale pointed out, we perhaps should have legislation, and I have noted that we shall take that into account and consider it.

Now I should like to say this before I read the brief remarks I prepared. I think that in the discussions, which have been worthwhile and interesting, there has been a slighting of what I think is an important element, and that is the protection of the public.

While it is all very well to be critical and to say, as I agree we should say, that this is an activity that must be strictly controlled if it is to be permitted, I think we must bear in mind that on the other side of the ledger there stands the great public. The public demands and must have protection from our law enforcement agencies against very sophisticated and active criminals who are using every means that science and technology provides to pursue their activities to the detriment of the public.

I do not think we should forget, in talking about the police invading certain areas of this kind, that the police are the men who stand as the protectors and the shield of the public against the activities of the criminal. I think that point was perhaps glossed over in the discussions which have taken place in this House, on this particular vote of my estimates.

What I have written down, Mr. Chairman, and what I should now like to read, is as follows:

I think all reasonable people must feel a great dislike for the principles which are necessarily involved in the act of wire tapping. We have been raised from our earliest days upon the principles of equity and fair play that have been the foundation of not only our system of justice but, indeed, the foundation of so many other aspects of our society. It must, therefore, concern us all when we see these principles somewhat perverted by the introduction of electronic devices that eavesdrop upon conversations.

Over 500 years ago an ancient English law prevented eavesdropping and made it an

offence which could be brought before the court even by way of indictment, and that law developed in an age when there were no electronic devices such as we have encountered today. The principle then was just as applicable as it is now, for we individually resent any invasion of our privacy. For this, in turn, is a violation of our personal integrity and this no man can accept lightly.

However, Mr. Chairman, I think our problem today goes further than even that which is contemplated in the wire tapping discussion which has been so prominent over the past few days. While eavesdropping in its original form was considered insidious, wire tapping was an extension which was even more resented. In fact, we would be very short sighted if we did not recognize the many forms of electronic surveillance that may be carried on with the exceedingly well developed devices that are now available in this area of technology.

My whole approach to the problem, Mr. Chairman, is predicated upon the use of any type of electronic device which is utilized for a purpose that might be considered an invasion of privacy.

While I agree with these deeply entrenched principles of preservation of our privacy I must at the same time accept the very important task that is placed upon the law enforcement agencies of our country. We are all familiar with the report by the president's commission on law enforcement in the United States and the portions of that report which deal quite extensively with the problems of organized crime in the society to the south of our border.

That report also deals with the necessity for wire tapping and electronic surveillance and it comes to the conclusion that that type of surveillance is an absolutely essential device for law enforcement, particularly as it appeals to organized crime.

I do not intend to regale this House, Mr. Chairman, with the many quotations from the various persons who have cited the colourful incidents where electronic surveillance has played a major part in respect of the apprehension of criminals. I would only point out to the hon. members of this House that one of the basic conceptions inherent in organized crime is the complete protection of the top criminals who direct their nefarious enterprises from those individuals who are the small time hoodlums carrying on the criminal activities.

At the same time may I point out that by the very nature of crime there is a tremendous revulsion to the committal of any orders or directions in the form of writing, and consequently the criminal will rely to a far greater extent upon the spoken word. Over the distances which are inherent in our society today it becomes obvious that if you are not going to be able to write these messages then you must at some point resort to telephonic communications.

I mention these two principles, Mr. Chairman, because I feel that it demonstrates graphically that the electronic surveillance device becomes absolutely essential if we are to deal effectively with the organized criminal who could constitute such a threat to our society.

Having mentioned my feelings with respect to the two major principles involved in this matter, Mr. Chairman, may I say very shortly that my position has been consistently that electronic survellance of the individual should be expressly prohibited by a national law subject only to the provision that it would be available to the appropriate law enforcement agencies under the authorization of the court. I have taken this position publicly on other occasions and, indeed, at the conference of Attorneys-General which was held with the Minister of Justice in Ottawa a year or two ago, February, 1967, I believe. There was almost complete agreement among the provinces and the federal authorities that the electronic device should be prohibited except for properly authorized law enforcement purposes. The mechanics of how this would be worked out in practice have been discussed in their preliminary stages, but certainly agreement on principle was readily forthcoming.

I recognize, of course, that there is an area where the province might properly legislate with respect to eavesdropping and the electronic items that are used for this purpose, but in my own view a provincial law would not be completely effective nor would it be a legitimate application of provincial authority to federal communication systems that might be operating within our province. We would also be faced, of course, Mr. Chairman, with the possibility that devices could conceivably be used in one province which would provide surveillance of communication systems in another province, and there might be a complete inconsistency of the laws with respect to the matter. I stress that, because I think this certainly should be a federal law and I believe my views in that respect are the views of the other provinces.

The whole system points to a federal law and, indeed, the Royal commission of enquiry into the invasion of privacy in British Columbia came to the conclusion that a federal law should be enacted which would make it an offence to use electronic devices improperly, although that Royal commission did also come to the conclusion that there was a valid area of provincial legislative authority if it was decided that it should be exercised.

For my own part, Mr. Chairman, I, therefore, must state that I look upon electronic devices as an absolutely essential tool to effective law enforcement particularly in our continuing battles with the organized criminal. For that reason, until the device is dealt with by appropriate legislation, I do not feel that I can in any way censure the police for the use of these devices in proper circumstances and, indeed, I believe that we would all condemn our police forces if they did not use every appropriate and lawful device for the purpose of protecting us from the organized criminal. I do not feel it is necessary to deal extensively with the statutory provisions which exist and which purport to deal with telephone communications, except to say that none of the existing provisions either in the criminal code of Canada or in the various Acts respecting telephone communications, were intended to deal with electronic devices. And certainly by their language they do not create offences which would apply to the type of conduct with which we are specifically concerned.

Mr. Chairman, I am looking forward to the time when we will have a federal statute which will prohibit electronic eavesdropping except for law enforcement agencies, which will be authorized by the courts, and I would earnestly express the hope that this legislation will not be too long in its ultimate introduction into the laws of our country.

Mr. Chairman, no one, as far as I can recall, in the discussion of this matter made any reference to the fact that the commissioner appointed to enquire into the matter of civil rights in this province, the hon. Mr. McRuer, dealt with this matter. I should like to conclude my remarks by quoting what he had to say on this very subject in his report No. 1, volume 2, and I read beginning at page 937, where he said:

> We are particularly concerned here with the duties of the Attorney General as they relate to the prosecution of offenders and to law enforcement through the administration of justice.
>
> The effectiveness of all legislation for the protection of the civil rights of the individual depends on good law enforcement. The individual has a right to be protected from unwarranted police action, but likewise the peaceful citizen has a right to all the protection of the law enforcement agencies against unjustified invasion of his basic and fundamental civil rights. Too often the focus is misplaced and the rights of peaceful members of society are forgotten.
>
> In this province we have entered upon a new era which creates special problems for the law enforcement agencies. Modern means of transportation, the automobile and the aeroplane, together with modern means of communication, two-way radio systems and electronic listening devices, have become as available for use by organized and unorganized criminal elements as they are for the peaceful purposes of society. In some areas on this continent organized crime has become so developed as to impair the power and authority of government.

I think we all know to what he is referring.

> The protection of the rights of the individual requires that all the advances of technology be made available to law enforcement agencies with proper safeguards. It is no trespass on the civil rights of the individual that every scientific means of detecting crime should be properly used for protection of the public interest. Geography has placed us alongside a nation with different laws and different means of law enforcement.
>
> It is a recognized fact that organized crime abroad is prepared to reach its tentacles into this province in such a way as to make residents of the province in some degree subject to the power of criminal elements from abroad. The right of the individual to the protection of his civil rights under law does not extend to the safeguarding of the lawless against all reasonable and proper means of detecting his lawlessness.
>
> Representations were made to the commission to the effect that legislation should be passed restricting the use of wire tapping and listening devices by police officers. Some representations were made suggesting that the right of police officers to question persons accused of crime should be restrained or restricted. These representations raise difficult problems, but they

are problems that must be solved by a realistic and unemotional approach.

It is hard to follow the logic of the contention that it should be unlawful to intercept a message passed as part of a plot to rob or assassinate, while the robbers or assassins should have free use of all scientific means of communication. What gives rise to misgivings is that there might be an unwarranted invasion of the privacy of the individual by the exercise of police powers of interception of communications. The question is one of balance and regulation.

Where law enforcement agencies have reasonable ground to believe that means of communication are to be used for the advancement of crime, they should be given a means to secure power to intercept messages. This is not greater trespass on the rights of the individual than the power now conferred on a peace officer to arrest without a warrant, or to get search warrants upon application to a justice of the peace.

The control over the exercise of such power should undoubtedly be strict, but nevertheless the power should exist. It does not seem logical that a power should be conferred on a police officer to deprive a man of his liberty by arresting him, if he has reasonable and probable grounds to believe that he has committed an indictable offence, but that he should not have power to intercept a message if he can demonstrate to a judicial officer that there are reasonable and probable grounds to believe that the message is being used for the advancement of the commission of a crime.

And then Mr. McRuer concludes:

In large measure, any change in the law would be beyond the powers of the Legislature of the province and beyond the terms of reference of this commission.

And, of course, I think it is plain to all members of the House that he is referring there to particularly the criminal field, and the presentation of evidence in criminal cases. As I have indicated, this should be undoubtedly an area of federal jurisdiction and legislation, and that is the direction which we have taken to try to secure legislation in this area. I think that I need not add again, that I am indebted to the suggestions that were made to what we could do in certain areas, perhaps touching mainly our civil rights.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, for those of us listening to the debate, this has been quite an education. I have listened to the Attorney General with much interest, because this is the second time in a week that he has surprised me. I feel that his natural responses to the problem raised last week with the use by police forces of the chemical Mace, and now today, his reaction to the use of wire tapping without authority, have been good, democrative ones, and we, on all parts of the House, have recognized this.

The part where the surprise comes in is that the Attorney General, who must accept great responsibility for the direction of our law enforcement agencies in Ontario, including all the municipal forces and the Ontario Provincial Police, is loath to accept this responsibility in any meaningful way, and is not prepared to bring forth legislation controlling Mace and this sort of chemical control. And with the same approach, he says that he does not have the power, and has bolstered his argument by quoting from the McRuer report, and that the Legislature does not have the power, to ensure that our police forces across Ontario must have some judicial authority before they undertake wire tapping.

For the last three weeks we have seen the Attorney General contradicted by what we might call "usually reliable sources" as to the authority that was used in a wire tapping case which has been discussed to some extent in the House and is presently *sub judice*.

So it seems to me that the Attorney General cannot escape the responsibility that all of us have in this House—to bring forth legislation which deals with the problem in Ontario and particularly as it pertains to our own police forces in Ontario. If we are not going to needlessly tie their hands, and if we require that they get judicial authority before undertaking the wire tapping and electronic surveillance that has been under discussion here. I personally believe that this is well within the power of the Legislature and certainly within the power of the Attorney General.

I would urge him to act, and act in the very near future to undertake the kind of control in both these cases which as I understand it, would be favoured on all sides of the House.

Mr. Singer: Hear, hear. Mr. Chairman, I do not think that the remarks made by my leader could be more apt than they were. What disturbs me particularly is that the

Attorney General in his way—and he is a kindly man, and I think that mentally he has a good sound approach to these matters, but it is in the carrying out of his intelligent thoughts that he falls down. Having said what he did about the use of electronic devices, he added—and I am paraphrasing his remarks—that no one could object to the proper use by the police of the devices. Well, Mr. Chairman, this is the very concern. What is the proper use?

I just went through my remarks of last Friday and I asked him a series of questions at that time. We have had no answers. I tried to ascertain who in the metropolitan police force authorized the use of wire tapping. Did it come from the police commission as the news media state it did not? Did it come from Chief Mackey, or an inspector, a sergeant, or did some policeman just say—and this is the phrase I use—"This would be a good afternoon to do a little wire tapping. Let us go out and see what we can find"? I think that we have a right to be concerned, and it is our duty to be concerned about what is proper. The Attorney General has, at his command, and the command of government, the full power and authority to do anything he wants to, in relation to police forces. We could have a statute this afternoon to do away with all local police forces, if that was government policy, and to establish the OPP as the only police force of Ontario. We could have a statute—and we have one now—that deals with the amalgamation of police forces. There can be no question in anyone's mind that the government can do what it wants, and thinks is proper, insofar as police forces are concerned. Now, there seems to be no reason why, while we await federal legislation, there cannot be a series of statutory directions to our Ontario police forces, as to what is proper in these matters of wire tapping and the use of Mace and several other matters.

Surely there is no statutory prohibition in that regard if the government wants to exercise it? I think that this is what is indicated. The pious statements, no matter how well meant, of the Attorney General, that it is not proper that certain procedures go on, just are not enough for the province of Ontario. He is not just an ordinary mortal, or ordinary member of this Legislature. If he in his best thinking—which I think is pretty good on occasion—has come to the conclusion that there are certain things being done by the police forces in Ontario which should be controlled, then he and his colleagues have the power to regulate; and for goodness' sake should do it. Bring us the statute and let us see it. We will pass it, I think with plaudits from all sides of the House. But he does have the authority.

I would agree that probably, a most intelligent type of action could come from the federal government, and I would myself, sir, believe that it is forthcoming, reasonably soon. But we have a newly formed Cabinet in a newly elected government, and when that House of Commons in Ottawa will go into session, we do not know, nor do we know what the priorities will be. It could be a year or more before they get to writing this kind of provision into the criminal code. In the meantime, Mr. Chairman we are in session, and we are going to be in session for a day or two yet. The Attorney General has at beck and call the best legal advisors in the province of Ontario and it would be a matter of very little moment, if he has his mind set in it, to bring in a statute that would give him and the province some kind of control in these matters, rather than to let the situation wait for another 18 months. That I think is the simple position.

The word "proper" is the word that disturbs me, because we do not know, we have been unable to get any information as to what was done in the case of the two magistrates. The information in the press has been confusing and contradictory. Were other magistrates listened to? Who authorized it? These are most important questions and I think we have the right to know in the House whether it is being properly done, and what the word "proper" means. What are the criteria that determine what is proper?

The Attorney General talked about my suggestion on bringing a test case under the three statutes that I referred to, and he said that it was not intended—I think that was his word—that these statutes be used for this purpose. And I think this follows more or less automatically, because The Bell Telephone Act of Canada is an 1880 statute and certainly no one had in contemplation in those days, the sort of thing that can be done now. But the Attorney General is a good lawyer and he knows full well that our judges from time to time take a principle—and it might be as old as the principle in the New Brunswick statute that they are talking about, from 1650 and applied to present day circumstances—and when they see fit, they apply it. I would think that a judge could well look at the statute of 1880 relating to The Bell Telephone Act and say,

"This is exactly what the House of Commons of that day had in mind, and it is not unreasonable to say that in the circumstances of today, this should apply".

Or there is the question of The Ontario Telephone Act of much more recent vintage. Surely a substantial argument could be made—and there is no question that you would have to meet the other argument about what is federal and what is provincial jurisdiction. But I would think that a substantial argument could be made to say that those two sections 110 or 112 are applicable. I will volunteer, at a good rate of pay, the services of my colleague from Sudbury or myself. We will prepare briefs on that if you want, and I am sure that the briefs could exercise a substantial persuasion on the minds of the judges or the magistrates who are going to be charged with interpreting this kind of charge. Or again, there is a section of the criminal code—and my friend from Riverdale was quite anxious to dismiss this out of hand. Perhaps he is right. Perhaps I am completely wrong, but how do we know Mr. Chairman, unless and until we test these things? There could be as many opinions on these matters as there are lawyers who have opinions. There is only one test.

It is no good for me to stand here in this House and say "I am right and the Attorney General is wrong on the matter of legal interpretation." All we can do is give opinions —and I think my opinions have some reasonable intelligence in law—and the only way we are going to find out is to bring these matters before the court, and let us test them. At least then, if you do nothing more, we will have some sort of judicial opinion which can form a guide. But more important, sir, I am concerned about the Attorney General having espoused what I think are the right ideas. Concluding his remarks with saying, "Well, we are going to wait and see what happens; we hope the federal government will act."

I do not think we have a right to wait that long. I think we can do something here now, Mr. Chairman. I think we can do it now under property and civil rights, and our powers to control the administration of justice, and several other sections and subsections in section 92 of The BNA Act, and I think we should act, and act now, and relieve the minds of our citizens that at least within our authority we are doing as much as we can to bring this situation under proper control.

Hon. Mr. Wishart: Mr. Chairman, if I might be permitted just a word after the remarks of the hon. member for Downsview and the leader of the Opposition. I would like to deal with those very briefly.

The leader of the Opposition said that the Attorney General had been contradicted and I do not take that too seriously, but I think apparently he sincerely thought that had been the case. Actually I do not quite understand that, because any statement I made either in the House or outside was to the effect that, so far as I was aware only one line, at least no line, other than that of the criminal had been tapped, or information obtained from it, and as far as I was aware, the magistrates' lines had not been tapped.

I know there was a report in one of the newspapers which I was asked to deny or substantiate, and I said I felt I had no need to do that. But I do want the House to know that I have investigated this matter with the metropolitan police of Toronto, and no one there can substantiate that any such statement was ever given, or that the magistrates' telephones were ever tapped. I do not know where these newspaper stories arise. My investigation indicates that that is not the case, and that is all I know.

I would like to say this to the hon. member, particularly with reference to the remarks to the hon. member for Downsview. I would point out that also mentioned by the leader of the Opposition was the matter of the use of Mace, and this matter of wire tapping. The use of Mace is a very recent thing. We had a question about it before the end of May in this House. On wire tapping, the employment of electronic devices of this nature, the focus of attention has come upon it very recently, and I think largely as a result of this enquiry.

So that when I come to the meat of the remarks of the hon. member for Downsview, that you should have legislation, I would point out to him that I am thinking and considering very seriously the necessity, perhaps, of amending some of our legislation, possibly in The Police Act.

Mr. Singer: Now you are talking.

Hon. Mr. Wishart: But he must realize that as I stand here with these very recent events just developing—and I stand here as a Minister—I cannot say what government policy is, because there has not been an opportunity to develop it. I will assure him that the very thoughts that he has put forward have occurred to me, and there may be a neces-

sity to exercise some legislative control of this kind in these areas. Perhaps that might make him feel that I am not, as the member for Lakeshore said, abdicating entirely.

Mr. Chairman: The member for Riverdale.

Mr. J. Renwick: Mr. Chairman, just a minor point on that. First of all as the member for Downsview, I never dismiss out of hand any comments which he makes. The point I was making is simply that we are dealing with property, and when you are referring to property you are in a different realm than when you are dealing with intangible communication of oral words between one person and another, and their interception by electronic devices at a distance.

Mr. Singer: *Res in jus* or *Res in rem*? Let us get that clear.

Mr. J. Renwick: A minor point that I might draw to the attention of the Attorney General, if he does consider amending The Ontario Telephone Act, is the distinction which arose in the United States where with legislation quite similar to what they have in The Telephone Act in Ontario and the federal Telephone Act, nevertheless the telephone company in the United States was quite able to avoid that provision of the statute in these circumstances. And this is a memorandum which is reported to have been prepared by Mr. Courtney Evans, then an assistant director of the federal bureau of investigation, and a liaison officer with The Department of Justice in the United States.

The memorandum is dated in 1961, and the memorandum sought permission to lease special telephone lines in order to monitor an electronic surveillance. Evidence of the Attorney General's approval of such leasing was required by the telephone company. The memo distinguished between wire tapping and bugging, making it clear that the leased lines had no relationship to interception of telephone communications. They were to cover situations: "When it is impossible to locate a secure monitoring point in the vicinity of the premises covered by the microphone."

Mr. Singer: Where is that quotation from?

Mr. J. Renwick: This is a memoranum from Courtney Evans, an assistant director of the federal bureau of investigation, a liaison man with The Department of Justice in the United States. The point is obviously quite clear. The telephone company felt that it was quite legal for them to make their lines available by way of lease for connection with electronic devices, whereas it would not have been lawful for them to have given any permission for a direct wire tap on to the wire over which the communication was passing. Mr. Chairman, I would like to comment.

Hon. Mr. Wishart: Mr. Chairman, I am very curious. I do not recall that. You say the memorandum was in 1961?

Mr. J. Renwick: Memorandum from the United States, 1961.

Hon. Mr. Wishart: I would be very interested in seeing it. I am interested in knowing whether it was in the area of criminal use, or for use in criminal investigation. Was this a civil approach?

Mr. J. Renwick: No. This was a criminal investigation in the sense that it was a surveillance of operations in the Las Vegas gambling area.

Hon. Mr. Wishart: That would be definitely criminal.

Mr. J. Renwick: Yes.

Hon. Mr. Wishart: I would be very interested in seeing that, because in the United States, of course, the individual states have criminal jurisdiction. The federal government has been able to acquire and exert certain criminal jurisdiction, whereas in Canada we have one criminal jurisdiction that is federal. But I would be very interested in reading that if the hon. member would perhaps make it available to me.

Mr. Singer: Mr. Chairman, I wonder if I could ask the member for Riverdale a question. Would not this be more pertinent to the American Supreme Court view, that evidence illegally gathered is not admissible, rather than to the point that we are discussing? I wonder if that argument might not have come forward in that context? The Supreme Court of the United States has said on several occasions, as I understand it, that evidence illegally gathered is not admissible, and I wonder if that argument might not have revolved around that particular point.

Mr. J. Renwick: It may perhaps have. I want to speak very briefly about Mace, if I may, Mr. Chairman, only because an article has come to my attention since the comments last week.

I would like to know, first of all, whether the Attorney General has discussed the use of Mace with the police commission which is the vote we are now dealing with?

Second, whether or not the police commission agrees with his views which he has expressed in the House, so that they are entirely in agreement on his attitude on the use of Mace? Third, whether or not the police commission, with the very limited authority which it has under The Police Act, has advised the police chiefs and the police commissions throughout the province of Ontario on the views of the police commission and on the view of the Attorney General on the question of the use of Mace?

I have those three questions and I would like to read very briefly from an article which appears in the July 13, 1968, issue of *Ramparts Magazine* dealing with Mace, which I think may be of some assistance to the House. It refers in part to a report of The Department of Health and Welfare—Public Health Service in the United States, which apparently revealed that the content of Mace is 2 - chloroacetylphenone, kerosene and freon propellants, accounting for about 5 per cent of Mace. The remainder is 1, 1, 1 - trichloroethane, a solvent sometimes known as methyl chloroform.

It goes on to say that any ophthamologist can tell you that chloroacetylphenol can cause permanent scarring of the cornea which can result in partial or total loss of sight. But what of 1, 1, 1 - trichloroethane, the main ingredient of this co-called non-lethal weapon? First, although its rate of skin penetration is relatively low, it is "rapidly absorbed through the lungs and gastro-intestinal tract." Under "Symptoms and Findings", The Department of Health and Welfare has this to say about the effects of 1, 1, 1 - trichloroethane:

> Irritation of eyes, mucous membranes and lungs. Central nervous system depression. Headache, lassitude, facial flushing, incoordination, confusion, vertigo anaesthesia, severe hypotension, coma. Uncontrolled heart fibrillation due to sensitized heart muscle may occur. Death from respiratory arrest or peripheral vascular collapse. Heavy exposure may cause liver injury.

It goes on to say that:

> The known official tests of Mace were conducted on rabbits sprayed from a distance of six feet. Then six rabbits had drops of Mace placed in their eyes and were checked for two weeks. When the rabbits survived, Mace was turned loose for use on humans.
>
> It is interesting to note however, that when a new medicine is developed to benefit human beings, it must go through months and sometimes years of extensive testing before it can be given out and then, only under stiff controls.
>
> Doctor Lawrence Rose, a San Francisco ophthamologist, conducted independent tests in March 1968 on three rabbits. Two of them suffered corneal scarring and loss of eyelid hair plus second degree skin burns.
>
> Currently, the only protection from Mace is to smear petroleum jelly on the face with special attention to the eyes, nose or mouth, or to wear a motorcycle helmet with a plastic windshield covering the face.

That, I think, is the one point which the Attorney General has indicated he agrees with and it is that there is, quite likely, physical damage which can be done to a person's body by the use of Mace.

But the other point, I think, is even more important, and that is the intrusion on the integrity of a person's personality.

> There exists at least prima facie cause to ban Mace's use. Some police agencies are already having second thoughts about Mace and those in San Francisco, Los Angeles, Cincinnati and Washington, D.C., have voluntarily restricted or prohibited its use because it causes central nervous system depression and confusion at the time of arrest. It could conceivably be banned on the basis of depriving a citizen of his civil rights.

Mr. Chairman, it would be interesting to record those quotations from that recent article and I would ask the Attorney General if he would answer the three questions which I put at the beginning of my remarks.

Hon. Mr. Wishart: Mr. Chairman, I am very glad the hon. member has seen fit to read that into the record. I hope it will receive wide publicity and I would add further that regarding the findings of the surgeon general in the United States in his public comments, as to the dangers of the use of Mace, one part helped me in my conclusions about it, and I think I would like to just say this further—that I noticed after I had made some remarks the other day in the House, and they were given publicity, that one or

two police chiefs said, "I would rather use it than a gun."

But I think they missed the point. There were incidents of using it against drunks, an incident of using Mace against a student. The point is, you would not use a gun either; but to just say, take the examples, rather Mace than the gun, was a begging of the whole question really and I should like to take this occasion to point that out.

To answer the questions. Yes, we have discussed the use of Mace and its ramifications with the police commission since it came to our attention—in May actually—and the police commission does entirely agree with my point of view as I have expressed it here. We are preparing, and will have out, I trust, very shortly, a statement of those views.

I cannot call it a directive, perhaps it would not qualify under that heading, but it will be going out to police forces so that they will know our attitude without question. There was some question raised as to whether they knew our attitude and in the circumstances of our present legislation, that is the best we can do. I think I have dealt with our attitude towards legislation in these debates.

Mr. MacDonald: Mr. Chairman, there are two points regarding the Ontario police commission that I want to go on to. But let me, if I may, comment briefly on the point of debate for the last 10 or 15 minutes.

I would agree with the general thrust of the argument advanced by the leader of the Opposition and the hon. member for Downsview because, quite frankly, I think the position of the Attorney General at the moment has become untenable. Now whether he gets himself off the hook by a statement which is accepted as the equivalent of legislation, or whether in another instance a statutory change is required—that is a matter of means rather than of the end. What disturbs me is that in view of the Minister's very strongly expressed views last week with regard to Mace, and with regard to the evidence my colleague has just put on the record—and the Attorney General now backs up with reference to the sugeon general's comments—you had a situation such as emerged last Friday morning after the debate in the House here where the chief of police in London said, "We have every intention of continuing to use it until we get a directive from the Attorney General's office."

Now whether it comes from the Attorney General's office, or whether it comes from the Ontario police commission—which presumably is the overall body that gives directions to police forces, whether they have the force of a directive or not—is, perhaps, a point we have got to look into.

But whether it is from them or from the Attorney General's office, surely some action has got to be taken because the average layman reading this comment of the chief of police would find it a little difficult to interpret his comments as being anything other than somewhat defiant of the Attorney General. After all, the Attorney General has stated clearly what his view is and immediately, the next morning, the chief of police in London says, "Well we are going to continue to use it until we have some direction."

This is the untenable aspect of the Attorney General's position at the moment. Maybe he has commented on that by saying that in conjunction with the Ontario police commission, he is preparing a statement—it might be too strong to be described as a directive —but it will be some clear indication.

Now I go back to the wire tapping because I think the Attorney General's position is again untenable for the same reason. I was most intrigued to hear the Attorney General say that people would be naive if they believed that the police force have not been using wire tapping.

Hon. Mr. Wishart: Police forces.

Mr. MacDonald: Police forces generally have not been using wire tapping. Well, I have said this before in the House and I will repeat it. I stated that the Toronto police force had been using wire tapping, and I stated it on the basis of an interview with a high official of that force some five or six years ago when the whole question of organized crime was of lively concern. And what happened: the first thing that happened was that Chief Mackey denied it.

I think we are in a pretty peculiar kind of situation when the Attorney General will get up and say anybody would be a bit naive not to realize that police forces are already using wire tapping when, if one makes that statement in the House as I did some years ago, it is immediately denied by the chief of police.

I think we are all hung up here and the only person who can get us off the hook once again is the Attorney General by clarifying what can be done under law. Otherwise it is done "illegally" and I do not think we can wait—

Hon. Mr. Wishart: Not illegally.

Mr. MacDonald: I said illegally in quotes. I recognize the legal technicalities and I do not want to get back into them, as a layman. You lawyers have had your field day in analyzing them and, I think, under the circumstances, it was maybe useful that we got down to analyzing the legal technicalities and the fine points in it. But that everybody should be so apprehensive and that the Attorney General himself should say, for example, that wire tapping should not be done even by police forces, except under careful supervision, and having gotten permission from the courts, that he now should say that he is not going to do anything to make this a requirement and, therefore, they can continue to proceed with a free hand, is, it seems to me, a questionable kind of situation.

That, I think, is the untenable situation that the Attorney General is in at the moment and I think he can clarify it only by either a directive, as in the case of Mace, and if necessary, by a statutory amendment perhaps to The Police Act, as he is suggesting now with reference to wire tapping. Otherwise he is going to be in crossfire and, if I may say it in as kindly a way as possible, he has nobody to blame but himself.

Hon. Mr. Wishart: Mr. Chairman, I do not think the hon. member quite realizes that we have sought legislation, we have sought it in the proper place where it should come from. I know the hon. member had my statement; I know he listened very carefully when I was giving it to the House. I do not think I can say to the police, "Do not use this means of gathering intelligence," because my statement is clear: I think the police must have this, they must have it under supervision, and I do not think the province is the jurisdiction to legislate in this field where we are trying to control and define and direct police forces, law enforcement agencies, in the protection of the public, in the use of electronic devices to get intelligence.

I do not feel I am on a hook; I do not feel I am in a crossfire; if I am I will have to stand up and take it, but we have asked for legislation, we have urged it in conjunction with the other provinces, on the federal government. I do not think we are overly optimistic when I say I think we can anticipate some action soon; and I believe, as I pointed out before today, that this matter is not such a desperate situation as might appear from the fact that a lot of attention is focused on it at this particular moment by reason of the fact that certain activities of the police in this area came to light as the result of the enquiry which is now set up in connection with the magistrates. We will pursue it. I have undertaken that we could consider suggestions where the province might legislate. Mr. McRuer pointed out that a lot of it is outside the province's field and this is so apparent to me and a national law —a Dominion-wide law, a federal law, in a field which is under federal jurisdiction—is so desirable, and a provincial law would be quite ineffective in many ways. It might have some good effect, but it would be a piecemeal bit.

So I just want the hon. member to understand: We are pursuing this, we are concerned with it, we have been concerned with it, and I wish we could get action where the action should be.

Mr. MacDonald: Mr. Chairman, let me say this:

(a) I agree that police forces should have the right to use wire tapping under the necessary safeguards;

(b) I agree that it can be handled best at the federal level.

All I am saying is that if there is going to be a year, a year and a half, or two years—which may well be before the federal government acts—I do not think it is impossible, as the Attorney General himself has intimated, that through an amendment to The Police Act you could cover it on an interm basis, a stop-gap basis for the province of Ontario—and quite rightly there is apprehension in the public mind—I think you would meet it until we get action from the federal level.

However, I do not want to belabour that point any further, Mr. Chairman. There are two other areas I would like to raise. One, with reference to the police commission. Periodically one reads editorials in newspapers or comments in the media, with regard to the controversial issue of police cars taking chase after somebody who has violated the law—often a rather inoffensive violation of the law. And the net result is a greater endangerment to life and the public safety in the police chase than was involved in the original violation of the law. I am wondering when we are going to come to grips with this, again through some sort of a directive that I would assume might come from the Ontario police commission. The House might be interested, Mr. Chairman, in a despatch datelined San Francisco on June 18 that was

carried in the Toronto *Daily Star* in which it said this:

> More than 500 Americans were killed and 1,000 injured each year in auto accidents caused by policemen chasing suspects, a physicians' group charged yesterday. Only a small fraction of those involved are guilty of serious crimes, and many are innocent bystanders, or the policemen themselves, said representatives of the "physicians for automotive safety."

And then it goes on:

> The two physicians presented some admittedly crude statistics from a small survey on nation-wide press clippings over a three-month period. The results showed one of five pursuits end in death, seven of ten pursuits end in accidents, five of ten pursuits end in serious injuries, three of four pursuits are for minor offences, and in only one of 100 cases was there a presumption that a crime of violence had been committed.

Now, admittedly these are crude statistics. I am curious to know whether we have any comparable statistics, crude or otherwise, in the province of Ontario. But I think there is general agreement on the proposition that this is not a wise thing; and yet until police forces get directives, it seems to me that you are going to have a continuance of the practice, and repeated editorials deploring it, but meanwhile injuries and death needlessly for relatively minor crimes. Perhaps the Attorney General would like to comment, or should I go on to my next point?

Hon. Mr. Wishart: I could comment on this, Mr. Chairman. We have a directive to the Ontario Provincial Police force on this matter which has been observed. We have not come to the point of issuing a directive through the police commission to local forces. Perhaps this is a very worthwhile thought, but whether it would be a directive or perhaps a strongly worded piece of advice that would express our views might be the way we could name it, because we cannot tell a local force how they should pursue their policing—at least under our present legislation. We can equip them, we can say they are ill equipped, we can direct them in certain things, but we cannot get down to the point of saying how they conduct themselves in certain police activities. But I note the suggestion and I shall discuss it with the police commission to see what we may be able to do.

Mr. MacDonald: I had one more point, if I may. Another commitment has arisen some ten minutes ago. Perhaps I can complete this and go to my other commitment.

Mr. Chairman, I want to raise again in a bit of detail this recurring problem of the absorption of small police forces by the OPP. I, and I think other members of the House, have been the recipient of documents prepared by members or officials of the municipal police association of Ontario, a body which I understand came into being a year or so ago, to cope with some of the problems in the piecemeal take-over of small police forces across the province of Ontario. I must say the more I read it, the more I think there are two aspects of it in which they have a very, very strong case. They point out, for example, that when the government moved in the take-over of the administration of justice, they took over all the existing civil servants involved at the local level and this involved clerks and people of various levels of training or lack of training.

But apparently there was no effort to winnow out those who did not happen to come up to civil service standards; they had been brought in; they had been absorbed in the take-over of the administration of justice. And they raised the question: Why, in the instance of police officers, and particularly police officers who have gone to the police college at Aylmer and who have passed the necessary examinations, should they be winnowed out with the argument that they do not meet the qualifications of the OPP?

The second point that they raise is in reference to the manner of the take-over, piecemeal, unplanned, the change in intention and timing as to the take-over of any specific force. They point out, for example, in one of their documents that a memorandum had gone out from the Ontario police commission some time ago in which it referred, in anticipation of this take-over, to the process of elimination. Let me quote this one paragraph. Incidentally, it was over the signature of R. P. Milligan, the chairman of the Ontario police commission. I quote:

> It is emphasized that this is still in the planning stage. Municipal police officers should have no fear that suddenly, one day, they will find their forces eliminated and themselves without a job; the process will be slow and gradual, and not before the municipal council, the chief of police, and the members of the force, have been consulted and a plan worked out for a smooth transfer of responsibilities to the OPP, and only after due regard to the lot of the municipal police officers. When a plan has been agreed upon, and only then, will

elimination be considered and an effective date decided upon.

Just let me give to the House, Mr. Chairman, two or three examples which are provided in documents by this municipal police association. The first one happens to be a document that is signed by L. F. Straus, who is the chief of police at the present time in the Port Elgin police department. It is dated June 20, 1968. He points out that in October of 1965 he noticed an article in the London *Free Press* dealing with the proposed elimination of municipal police forces in Ontario.

> I had never been appraised of this intended action and so called Mr. R. P. Milligan, QC, chairman of the Ontario police commission, to enquire into this matter. I was advised that I had nothing to worry about, my employment was not in jeopardy; I was doing a good job here; to keep it up; and further that he had been misquoted.

He goes on to point out that with these words he felt that his present employment was not in jeopardy and so he remained. He was in Port Elgin at that time.

Hon. Mr. Wishart: That was in 1965.

Mr. MacDonald: Right. I continue quoting:

> In June of 1967, I was a member of a group that went from this area to Toronto to speak with members of the Ontario police commission regarding this elimination. Other members of this group were from Wingham, Walkerton, Lucknow, Wiarton, and Kincardine. Also accompanying us was Mr. Roger West of Wingham, Ontario, Progressive Conservative candidate in the forthcoming provincial election. We spoke with Mr. R. P. Milligan, QC, and Magistrate T. J. Graham. We were told that a study was being made at this time into policing in Ontario, and was now taking place in No. 1 district of the Ontario Provincial Police and in northern Ontario.
>
> A study was to be made of the entire province and we were led to believe that no action would be taken in the elimination process until this was completed. On enquiring into our future employment, we were told that the majority of municipal policemen, who had a reasonable amount of police experience, would be absorbed by the Ontario Provincial Police. We left there feeling that if our forces were eliminated we would still have employment with the OPP; the prospect of having employment after this elimination is the main concern of the men who are about to be eliminated.

And then he goes on to point out that in his own instance he was married, with three children aged 13, 11 and 8.

> We expect a fourth child in September of this year; I have been involved in police work for over 21 years, and know nothing else.

In other words, here is a qualified person.

There is a second case, in the instance of Blind River. This is signed by John F. Kern —I think it is—ex-chief of police, town of Blind River. He points out that during a routine survey on February 12, 1968, all five members of the Blind River police force were interviewed by chief inspector G. E. Smith, OPP, planning branch, in company with J. S. MacLaren, advisor to the Ontario police commission. At this time, chief inspector Smith advised all members that any take-over would not take place before the end of 1968. On Monday, April 1, 1968, he goes on to point out that the chief of police was contacted by Mayor Venturi, the chairman of the board of police commissioners, who called him in and showed them a letter which had been received by the clerk of the town of Blind River from the Attorney General, the key paragraph of which was:

> I am able at this time to inform you that within my own department I have been able to arrange for the policing of the town of Blind River to be done by the Ontario government through the use of the Ontario police force. Will you be good enough to so inform His Worship Mayor Venturi, and the members of your town council.

Mr. Sopha: That is the former mayor who writes.

Mr. MacDonald: The letter. Right? And later in this document:

> In accordance with this information, please be notified and convey to your men the fact that the police commission of the town of Blind River will terminate its agreement with the town of Blind River's municipal police force on April 30, 1968.

In other words, in a matter of months they have assurance from the Ontario police commission that there was going to be no take-over before the end of the year; then the Attorney General enters the picture and indicates that there will be a take-over. And

then suddenly these men who at least had some security of tenure in their job to the end of the year, have received notice as early as April 30, 1968 that they are out of their jobs.

So, first there is the failure to give assurance of absorption into the OPP even on the part of some who had training and long experience in the police force; and second, it is anything but an orderly take-over when timings are changed and given without notice to all of the people that are involved.

However, let me go on to one further example. This is signed by Patrice Veilleux, chief of police, in Hearst, dated June 14, 1968. I quote two paragraphs from his memorandum:

> From March 15, 1968, to May 31, 1968, a total of approximately 10 calls were placed with the Ontario police commission, and on each occasion we would be advised to call later and that they were unable to give us a definite answer. In May our town clerk called Mr. Eric Silk of the Ontario Provincial Police to see if he had any information as to when the Ontario Provincial Police would be taking over the policing of the town of Hearst. And after being advised that there were only three men left on the force, he would see that action would be taken soon to relieve the local force of their duty. He also enquired if the present men had already applied for the OPP, and if they were not interested that they could take over sooner, as they would have no interview with these men and that would make it easier.
>
> He also stated then that his department was not interested in taking any town police officer into his department as they were not qualified in many cases, and they just were not interested. What strikes me the most is that my men are all qualified, and have all completed courses at the Aylmer police college, and our lowest mark was 79.5 per cent, and our highest mark was 86 per cent, so why are they denied the right to keep up with their police career if they wish to do so?

Once again a refusal to accept men who have been trained, have experience, and are graduates of the police college; and second, no clarification as to exactly when the take-over is going to happen.

Another example: This one is signed by Robert Hamilton and is from Durham, Ontario, addressed to the chief of police in Southampton, who happens to be an official of the municipal association. This man points out that he had been a guard in the reform institutions from March, 1955, to June, 1956, at which time he made application for chief of police for the village of Dundalk, and he was accepted. In 1964, he was interviewed by a member of the Ontario police commission:

> I was informed by him that they were going to bring the standards of the municipal police personnel up to that of the Ontario Provincial Police, so was advised by him to go to the school at Aylmer police college and if I was qualified I would have nothing to worry about, there were big things in store for municipal policemen, but they would not disclose at that time what was coming. I was advised by them that if the governing body of the village was willing to send me to the school for 10 weeks, I was prepared to go. The member of the Ontario police commission approached my council and made arrangements for me to attend school, explaining to them at the time that they would benefit from my schooling.

Now, I just interject here for a moment. Here is an instance where it was suggested, prior to the announcement of the take-over of small police forces, that there were bigger things in store for muncipal police officers and that what would qualify them for involvement in these bigger things was to attend a police college and to be a graduate of it so that they would confirm their qualifications.

However, let me go on: He indicates in January, 1966, he went to the police college and successfully completed the course and returned to work for the municipality of Dundalk. Then I continue the quote from his memorandum:

> One year later, in February, 1967, I was informed by mail that effective one month from date, my job would terminate due to the take-over by the Ontario Provincial Police, effective May 1, 1967. Apparently, the agreement I had signed with the council was not valid as its contents were broken.
>
> The OPP take-over was never discussed with myself or any member of my committee. I was also advised later that we were to be interviewed by personnel from the Ontario police commission and the Ontario Provincial Police but to date I have never been approached by either for such an interview.
>
> When my position in the village of Dundalk terminated, I found it difficult to

find any type of employment due to the time of year, age, and a number of obligations. As a married man with six of a family, all still in school, this period of unemployment was a frightening experience and set me back financially. I am still trying to meet commitments caused by this and to my way of thinking it seems deplorable when a man has conscientiously worked long hours for a period of 10 years, that a situation such as this could arise, and will continue to do so in many municipal departments where there are less than 10 men, unless the powers to be are made aware of the situation and are prepared to do something about it.

Well, enough from that one memorandum, I think, to make the point.

One final one signed by S. Stark, formerly of the town police, Thessalon, present chief of police in Southampton. He points out that in the summer of 1966:

I journeyed to Toronto where I entered the office of the Ontario police commission and spoke to Mr. R. P. Milligan. I produced the newspaper clipping indicating the proposed take-over and asked Mr. Milligan what the score was and asked that I be given a straight answer. Quoting from memory, Mr. Milligan stated, "Oh, I wouldn't be too concerned if I were you. Actually we do intend to eventually eliminate the one-man department, but it's a long time away. When you go home, write me a letter stating your qualifications, such as your marks at Aylmer, and so on, and we will keep it on file and we will be able to let you know of any job openings when they come up."

In the fall of 1966, I met Mr. A. A. Wishart, Attorney General, on the street in Thessalon. I produced the newspaper clipping and asked him how long it would be before I was eliminated. He stated and I quote from memory, "Oh, I wouldn't be too concerned, we do intend to eventually eliminate the one-man forces but it is a long time away. Here in Thessalon we have no intention of taking over, we would rather have the OPP help you when you need help than to have the OPP take over."

In January, 1967—

That is just three or four months later.

—Mr. J. F. McLean, advisor of the Ontario police commission visited me in Thessalon. At that time he told me, "You are on a one-way street. If you intend to stay in police work you had better consider looking for another job." I asked Mr. McLean how long it would be before the OPP would take over and he stated that he didn't know.

In March of 1967—

Again three months later.

—I sat down with the town council to negotiate a working agreement for the year 1967. At that time I was informed that the town wouldn't be having a police force after April 1, 1967, and they produced a letter from the Attorney General offering the town free OPP policing, provided they disband their own police department and at the same time suggested they retain their present man as a bylaw officer. I then went out on my own and got another policing job in eastern Ontario.

Later in his memorandum:

Before leaving Thessalon, I telephoned the OPP recruiting officer in Toronto and asked if I could join the OPP. I was asked my age and education and upon replying that I was 40 years old with grade 8 and had completed the general police training A course at Aylmer with marks of 84 per cent, I was informed that I was not eligible for the OPP because of age and education. In May, 1967, I obtained the brief which was put out by the Ontario police commission regarding policing smaller municipalities.

In this brief I noticed that The Police Act had been amended so that men who were eliminated could be accepted into the OPP. I then telephoned the Ontario police commission in Toronto to see if I could still get into the OPP as my family was still in Thessalon. I own my home and the Thessalon detachment of the OPP was expanding due to the Ontario Hydro project which was just starting up. At this time, I spoke to Mr. McLaren of the commission and when I asked about this opportunity which I thought was open to me, McLaren did not know what I was talking about or what brief I was referring to. Mr. McLaren said he would check into it and let me know. I am still waiting. This is my experience up to date regarding the elimination of small police departments. It is my own personal opinion that if a man has been to Aylmer and successfully completed his police training, he should be taken into the OPP when the time comes for his elimination.

Now, that is enough, perhaps, to document a situation about which I had the impression —perhaps wrongly—that the Attorney General was tending to dismiss in his comments up until now. I think there are two or three points: One, as they state here, why is it not possible, particularly when you have officers who have training and are graduates of police colleges, to have them taken into the OPP, perhaps to take the same kind of approach as you have taken in the general take-over of the administration of justice where the local civil servants, if I may describe them as such, were taken in, whatever be their qualifications, if they had been doing the job up until then they were taken in, instead of being dismissed into a state of unemployment in an inhuman way.

Second, this business of a planned take-over, but with changes in the plan, people involved not knowing when it was going to take place. Indeed, as the process is going on, there is still a great necessity, and there would be great value in the Attorney General making a statement of policy, so that the small police forces, that ultimately are going to be taken over, will know exactly where they stand and the personnel involved will have some opportunity of being able to plan their personal programme.

I would solicit from the Attorney General some comments as to what can and should be done in these instances, but perhaps with specific reference to this business of the take-in to the OPP of police officers who have lost their jobs. It has been suggested in one of these documents that fewer than 1 per cent had actually been taken in.

Now, is that really the case? And if it is really the case, is there not something that comes pretty close to breach of faith? When one looks back to that directive over the signature of the chief of the Ontario police commission, back on December 31, 1966, where, as I quoted earlier, in the comments on the process of elimination, two things were assured—one, that the process would be and orderly one with a smooth transfer of responsibility and, secondly, that there would be an opportunity for jobs for the people involved to be taken into the OPP.

Hon. Mr. Wishart: Mr. Chairman, I am glad to comment. First of all, in taking over the police forces, starting with the one man force and moving to the two and three man force, and the most we have ever contemplated, the five man force, in that, it was a piecemeal programme because in some instances, the municipalities were not ready to accept that invitation, which was a purely voluntary invitation, nobody was forced to disband the local force. The offer was made and there was a suggestion that it should be a smooth transition, and we hoped it would be, in that it would not be sudden. It was piecemeal because it was, first of all, necessary to recruit and make sure that the Ontario Provincial Police force had the personnel and the facility to take over the policing responsibilities there.

It was not like the administration of justice because the requirements of a person to become a member of such a force as the Ontario Provincial Police are much more onerous—

Mr. MacDonald: What about graduates of Aylmer college?

Hon. Mr. Wishart: Well, I am sure that the hon. member will understand that in a force such as the Ontario Provincial Police, the course at the Ontario police college does not necessarily fit a man for the requirements of the provincial police force. Many could not qualify because of age, health, and background. I think that it has to be recognized that it is not the same as a clerk in an office carrying on the same duty from day to day. The requirements are more strenuous and more onerous, certainly in the police force, so that the same consideration did not and do not apply.

Another thing about the provincial police force which could, perhaps, be modified, and I know that we have discussed this at length with the police commissioner, is that the provincial police force is a deployed or mobile force, and men are subject to sudden transfer. To bring in men who have special privileges, such as men who are assured that they will not ever have to move, is one of the things that can downgrade and help to destroy the morale of a force.

Mr. MacDonald: That was a general stipulation.

Hon. Mr. Wishart: This gentleman from Thessalon, whose letter, incidentally, I have and which I investigated and which is not correct in all its statements, said that one of the things that he wanted was to remain in Thessalon because his family was there. Now, if you bring the local man in and let him stay there, and say to the other recruit on the force, "You must be ready to move at a moment's notice anywhere," it can affect the morale of your force very seriously.

These are some of the considerations. Now, let me say this. I have said that only on the

request of the municipality will we move in and take over the responsibility for policing. Blind River, I think, was perhaps a special case, but the same thing applied. They did request, in fact, urgently. This was a five-man force, and some months ago Blind River, the mayor and council became aware that the one industry was going to phase out and it would be done at the end of this year. This is the one industry and the police budget is something approximating $55,000. They came to us urging not only action in this area, but from the Minister of Municipal Affairs (Mr. McKeough), and the Minister of Tourism and Information (Mr. Auld), and The Department of Highways, and The Department of Trade and Development to seek any assistance they could get to direct industry to them, and to encourage highway activity and tourist activity, and one of the things that they particularly brought to my attention was: "Can you lift the burden of policing from our shoulders, which our people are just not going to be able to support?"

We considered it sympathetically and the mayor said that there would be no problem —and he would confirm this, with their men because they could get employment in the mines which are booming there now, and in the other industries outside the town. We gave as much notice as possible and in one of the letters, which the hon. member read, indicated that the provincial police, in one of those cases, "could move in sooner if there is no interest in coming to our force, but we will interview you". This is the approach. They do interview. I do not have before me statistics as to how many have been taken into the Ontario Provincial Police force, but perhaps I can get them before my estimates are concluded, but I think that you will understand the considerations that apply. I have a note that the Ontario chiefs of police have received two complaints altogether in the whole programme since the time that it began, and the police association of Ontario has received none. Now, I have received some of the letters that the hon. member read, and I would ask him if he would be good enough to let me have those, or the details, and I will investigate each and every one of them.

I know that this is the gentleman, Mr. Stark, the one man force at Thessalon, and I am told by the council—and I have the material in my file—that he resigned when they said, "You can continue as our bylaw enforcement officer." And he said, "No, I am going to another job." And he went and became a policeman in another municipal force. This was open to a good many men, and the training that they were offered in the police college should be an assistance toward that.

But they cannot all qualify for the OPP, and I wonder if I could have a helpful suggestion; I wonder if we are to say, "We will assume the policing in the municipality, for the good and sufficient reasons that we offer, good and sufficient police protection, relief from monetary responsibility and so on, are we to say, "Only when you have located your force in other jobs"? I do not think we can be expected to say, "We will, as a part of that take-over, find situations for your men". I know the situation in Blind River, and I recited it in the House two or three weeks ago. Three of those men at that time had secured employment, but one, I was told, was very reluctant to take any kind of employment, and one, for reasons of health was not employable at that time. These are all special situations, but I will get the figure as to how many the provincial police force was able to absorb.

Mr. MacDonald: I thank the Attorney General for getting that figure some time later, if not during these estimates. However, with respect to this, I find the Attorney General's reaction as unsatisfactory as I have found his earlier reaction in specific cases that have been brought up. Just let me read again the memorandum that was brought out to the police forces over the signature of Mr. Milligan. Now, in the light of the evidence that I have put on the record—and I will not take the time of the House to go back and review it—just listen to this:

> It is emphasized that this take-over is still in the planning stage, this is a process of elimination. Municipal police officers should have no fear that suddenly one day they will find their forces eliminated and themselves without a job.

Now, let me interject there. I put two or three cases on where they were told that there would be no take-over before the end of 1968, and in April 1968, they got a notice that they were out of work.

Hon. Mr. Wishart: When was that letter written?

Mr. MacDonald: This was a memorandum that went out, my colleague says that it was on May 19, 1967, but I find it a little difficult because there are quotes within quotes within quotes, and I cannot be certain of the date, but in any case, it was at an earlier stage.

Hon. Mr. Wishart: It is not too important, if I might be allowed to interrupt, but it was the introduction of a sort of long-range plan and I think that part of the intent that was expressed there was that "we are moving to it, but it is going to be a little while before we get to it in respect to the individual—"

Mr. MacDonald: Let me make some points clear. The police officers reiterate time and again that they do not object to what you seek to do. They agree that the take-over of the small forces is going to result in more efficient law enforcement in the province and they do not object to that. What they are objecting to is the lack of a smooth take-over.

As Mr. Milligan's memorandum stated:

> The process will be slow and gradual, and not before the municipal council, the chief of police and the members of the force have been consulted and a plan worked out for a smooth transfer of responsibilities to the OPP, and only after due regard for the lot of the municipal police officers.

When you are told in January there is going to be no take-over until the end of the year, and you get a notice on April 30 that your job is gone, that is a far cry from the assurances of Mr. Milligan in that memorandum.

Therefore, it seems to me that there is not adequate communication, and while the Minister is absolutely correct when he states that this is voluntary, it is a particular kind of voluntariness, because if the Minister writes under any particular circumstances and says, "We are now ready", or anybody else writes and says, "We are now ready to take over," it would be a foolish municipality that is not going to say very quickly by return mail, "Take it over and relieve us of the cost."

Hon. Mr. Wishart: Oh no, Mr. Chairman, that letter, and any letter, went out only after request, so that in that sense it was not voluntary. We did not write and say, "Now we are ready to take you over, come on in." They wrote and requested. The first invitation, the first promulgation of this programme was, "We are prepared to do this," before any request, perhaps before many requests were received. But Blind River, for instance, was an urgent request. First Cochrane, Keewatin, all urged us, "Come in and take over." Now, I think it is fair to say that perhaps, while we accept a certain responsibility to do our best, there is a primary responsibility surely on that town council which says, "Come in an relieve us of this, we need you."

Surely the employer there has a more primary responsibility, and the government can accept to employ these former employees. We would like to help, but we cannot wait forever till we can place them—and I do not know if we have a complete responsibility to replace all these policemen. I would hope that the municipalities—and we encourage this—urge them to look after their men, but I think the primary responsibility is there. We could say to them, "all right". I suppose you could formulate a policy and say, "All right, we will take over the policing when you have got jobs for every man you have got, your two or three men, whatever they are." That would be one way of approaching it, but I do not know whether that is the proper way or not.

Mr. MacDonald: Mr. Chairman, let me try to wrap this up with a specific suggestion. Is it not possible for the police commission to indicate what forces are going to be taken over in any given year, so that all concerned will know months in advance, a year in advance, instead of having snap decisions taken over a period of a few weeks or a few months, so that the whole picture changes after there have been verbal assurances, not only that their job was not in jeopardy, but also a lot of verbal assurances, according to those briefs, that they would have a job available for them in the OPP?

Well there are an awful lot of people who are living under a misapprehension, and the feeling that as they were graduates of the police college at Aylmer they were entitled to be able to get a job in the OPP. Let me dwell on this point for a moment.

The Attorney General said there are age qualifications. Sure there are age qualifications, but is it an age qualification as though you were taking a new recruit into the OPP? Or is it the take-over of a group of people following the absorption of the small police force so that you fit them in what might be called "successor obligations"? We hear of successor rights and successor obligations when one company takes over another.

I think the OPP has a certain successor obligation, particularly when you have got men who have 12 or 15 years' experience and who are graduates of the police college. Frankly, I find it a little difficult to find how so many of these people now find that they cannot get into the OPP. They must have been awfully poor officers, and we have

been tolerating a situation that should not have been tolerated for a long time.

Mr. MacDonald: Just a minute, if you send a man to the Aylmer college and he comes back with 86 per cent, then the Alymer police college was engaged in a pretty strange sort of game.

Mr. Sopha: Well, maybe even you and I could get 86 per cent. That is meaningful.

Mr. MacDonald: Speak for yourself.

Interjections by hon. members.

Mr. MacDonald: In a force the size of the OPP? I will not pursue the argument. I would like to find out how many have been taken into the OPP because it has been suggested in one instance only 1 per cent. Now, if that is anywhere the case, that only 1 per cent have been taken over, then I think that there has been a pretty serious breach of faith on the part of the OPP, quite apart from the methods involved, in this rather disorderly, rather than orderly, take-over.

Mr. Sopha: Mr. Chairman, could I say a word on this? I want to allege, and I am going to submit some evidence to support the allegations, that one of the chief causes of the difficulty in which the Attorney General now finds himself—or perhaps more correctly, the Ontario Provincial Police, or the police commission, find themselves—is because of the vacillation of the department in respect of this policy of eliminating smaller forces.

Now I say especially to the hon. member for Fort William (Mr. Jessiman), who often chides us for taking up the time of the House, that in this realm, our policy over here has been very consistent over the years. We have advocated the elimination of the small forces, and the policing of great reaches of the province outside the urban and metropolitan areas by the Ontario Provincial Police, and that attitude we take no credit for. It was reflected a few years ago—as my friend from Downsview will remember—in an encomium prepared by someone in the police commission.

Now, if memory serves me correctly, I believe it was Judge Macdonald who prepared a memorandum and said in it that a police force under 10 members was not justified in its existence. Now we have been saying that, as I say, for a number of years, and whereas we do not want to attract credit for taking that stand particularly, it is fair to point out to you, and remind you, Mr. Chairman, of the consistency that we have had in the approach. Now let us dwell on Blind River.

Part of the difficulty there is in respect of the vacillation that I spoke of a moment ago in regard to the policing of that town. A number of years ago, perhaps 10 years ago, it might have been longer, it might have been a little shorter. For some reason I have been trying to surround my memory to tell me what the reason was, but I cannot come up with it. For some reason, the policing of that municipality broke down, and there was a dislocation whereas the Ontario Provincial Police did not take over the policing of Blind River—a corporal, I remember his name, he is a very good friend of mine, to all intents and purposes became the chief of police of Blind River, and he was chief of police of Blind River for a number of years, whilst still being attached to the Ontario Provincial Police. There was, as far as I know, no agreement whereby the Ontario Provincial Police would actually take over the policing of the town.

Now a few years ago, perhaps that is five or six years, it might be a little bit shorter —one, of course, does not keep records of this, but relies upon memory—that arrangement ended, and the town went back to the classical system of hiring their own police force, their own police chief. Why are they going back? I do not know why the Ontario Provincial Police did not continue that system right along. But they went back to the old system, and now five or six years later there is more vacillation and now the Attorney General enters into an agreement with the town of Blind River for the policing of it by the Ontario Provincial Police.

Well, we have no way over here of knowing why that is, but it gives rise soundly to the description of that conduct as being vacillation. They both want to fish and cut bait at the same time, and we are saying, and we have always said, that let us have a policy whereby all the smaller police forces will gradually disappear. I cite again the example of that municipality down in the Niagara peninsula where they had six police forces in an area of 10 square miles.

Turn to my own community and one sees again a reflection of that policy of vacillation. At times, the provincial police have said to the valley municipalities, "We will take charge of the police," and they have carried it out. They have policed Highway 69 to the north and what was formerly the riding of my

friend from Nickel Belt is now in the riding of Sudbury East. They policed all those municipalities up that highway and then along came a time, four or five years ago, when that was not satisfactory to them and they required those municipalities to establish a police force. One sees how ridiculous that is when the establishment of a police force—

Mr. G. Demers (Nickel Belt): That is not entirely true.

Mr. Sopha: Well, I am going to tell you how true it is, now that you invite me. I will put the facts in the record. Five or six years ago, they said to the municipality of Blezard—that is the one north of Sudbury—"You establish your own police force." And who did they get as chief of police? You would be interested to know that he was one of the chief figures that was involved in the so-called scandal involving Pacifique Plante in Montreal. A man who went down with Pacifique Plante and was dismissed from the Montreal police force and he became the chief of police of Blezard township. Now that it is how true it is, and his chief lieutenant on the force was his son. So it was a very happy relationship. They had a family affair in policing the municipality of Blezard. So that situation went on. They might have had one other constable in there. I do not recall anybody except chief Hachey and his son, formerly of Montreal and then along came the provincial police two or three years ago and they said to the township of Blezard —township of Hanmer, all right we will take it over again, and that is the situation today. They now police the—

Hon. Mr. Wishart: Mr. Chairman—

Mr. Sopha: Is something bothering you?

Hon. Mr. Wishart: Yes, very much. Mr. Chairman, it is not bothering me a great deal, but I thought we were on vote 210, the Ontario police commission. The remarks of the hon. member for the last five minutes—and I am not objecting to them—have certainly been on the Ontario Provincial Police and that is the next vote.

Mr. Sopha: This is, of course, hogwash—being bothered with that type of interjection.

Hon. Mr. Wishart: Well, I like to abide by the rules myself. If we are on provincial police let us say we are discussing that as well; at this time that is all I want to know. They want to go through this all again. The vote 211 is Ontario Provincial Police and I think what the hon. member is talking about in the Ontario Provincial Police. If he would like to discuss that under this vote at the same time, that is quite in order, Mr. Chairman, but let us be clear about it.

Mr. Chairman: Do we have anything further on vote 210?

Mr. Sopha: Mr. Chairman, I have not finished. I thought he was asking you for a ruling. He got up like Leslie Frost used to do, the old fox, and it is the first time we have seen a development of that technique. I have noticed it throughout his estimates; somebody is making a speech and he gets up and wants to make one right along with the speaker.

Hon. S. J. Randall (Minister of Trade and Development): We learned that from you.

Mr. Sopha: You sat in the House when Frost was here and you recall Frost used to do that all the time.

Mr. Chairman: The member has been speaking on vote 211.

Mr. Sopha: The Minister sits and listens to me for ten minutes and when I am almost finished he gets up and makes the silly interjection.

Mr. Chairman: You must decide whether you are through with vote 210 or not. Now if you want to talk about the Ontario Provincial Police it will come under vote 211.

Mr. Sopha: I was under the impression, perhaps I will be corrected if I am wrong, that these agreements for policing in the province are made by the police commissioner.

Hon. Mr. Wishart: Mr. Chairman, could I clarify that for the hon. member? When he spoke of Blind River, he said there had been vacillation—

Mr. Sopha: Sure. I demonstrated it with evidence.

Hon. Mr. Wishart: —vacillation from this hon. member's remarks. According to the hon. member for York South, we delay; no, we went too fast.

Mr. Sopha: On a point of order. I asked him at this point if I was not correct that these agreements for policing are made by the Ontario police commission. That is vote 210. If the answer is in the affirmative I

contend to you I am in order. It is as simple as that. The one thing I do no want to invite is a speech from the Attorney General.

Hon. Mr. Wishart: The hon. member has a good point of order, Mr. Chairman. I will answer him. I was coming to it, actually. He spoke of an agreement with the town of Blind River. There is no agreement; that is, there is no written agreement. The OPP just assume it and there is no obligation on the town. There is nothing, except that the OPP move in.

Now there are a few municipalities in Ontario where there was a written agreement to supply the services of one or two officers at a certain salary or a recognized, agreed upon figure. And if the hon. member is interested I could tell him that in all those municipalities around about Sudbury, so far as I am aware, there is no agreement. It was simply a moving in, an understanding that we would relieve them of that responsibility. Just in the same way that we have not written any agreement with the municipality when we took over the administration of justice. We did not sit down and write an agreement; we assumed it, took it over.

Mr. Sopha: Mr. Chairman, if I recall the legislation, the power is vested in the Ontario police commission to determine whether policing in any part of Ontario is unsatisfactory and if they so desire then they may take the appropriate steps. I am sure the commissioner of the provincial police, as my friend from Downsview has just suggested to me in an aside, does not decide. He does not decide where the provincial police should move in. That decision is made by the Ontario police commission—vote 210.

An hon. member: That is right.

Mr. Sopha: If the Attorney General wants to share the criticism then I am completely willing to say that the Ontario police commission must bear part of the criticism also; those who work under him and fail to take sufficiently forthright action to move into these areas.

I know it is hot and the Attorney General is ultra-sensitive today but he will soon be finished with his estimates and I am sure he will return to his pragmatic state.

The only other thing I wanted to say is I thoroughly disagree with the member for York South. He has developed to a high art this matter of bringing letters of complaint from individuals who contend that they are hard done by as a result of change in government policy and that is what happened here. But I want to say this, and I mean no disrespect or discourtesy or criticism of these very fine policemen who have been dislocated by the actions of the provincial police commission coming into the area, but my experience of the provincial police tells me that one of the great virtues of the force is the fact that they take young men who have heretofore not been connected with police work in any way and they train them in their own system.

And I would hesitate to see the standards or the method of doing things in any way diluted or changed by the provincial police inducting into the force persons who, notwithstanding their many years of valuable police experience, do not fit the qualifications of a new recruit to that force. One can have the greatest sympathy with them, but I would have to say as a matter of principle that I would be willing to completely rely upon the judgment of the commissioner of the provincial police and those who assist him in this regard in selecting suitable candidates from those dislocated. And I do not want to go any farther than that.

Finally, to return to the major theme upon which I rose to speak, and that is, I can only plead with the Attorney General that this policy of taking over the policing of the smaller areas of the province by the provincial police force proceed with an even greater speed, certainly not beyond a period of two or three years at the most, and we see the elimination of these small forces in our province. And that the wide resources of the provincial police in their scientific, technological, motorized and every other characteristic that is an asset, be used to provide the police services to our people.

I say that in the consciousness of my experience of the provincial police and the enthusiasm that it generates in one when one sees what a fine force it is, and how efficiently it operates with a maximum of courtesy, humanity.

I will tell you something about my experience, just to put it on the record. In no case in over 15 years did I ever encounter an example of brutality toward a citizen by a member of the provincial police. I am saddened to say on the other side of the ledger that in many cases, too numerous to remember, unfortunately, did I encounter it with municipal forces. But I like the aspect of that clean, white sheet of the provincial police; it is not marred by an example of

anything untoward or unseemly or shoddy in respect of them carrying out their function.

Having said that, I inform the Attorney General through you, that it is all I want to say about policing and if he will bear with us with a little patience, there are a couple of other matters in respect of provincial police that I want to raise when that vote—

Mr. White: Mr. Chairman, on this point, I will not be a minute. I quite agree that the Attorney General's policy is very appropriate, that these smaller forces should be replaced by the larger and more effective force, and I think the method chosen is very appropriate, too. My mind goes back now to an experience that I had a few years ago when a constable of the London township police was injured and lost a leg in an accident while on duty. That man gained employment as a radio telegrapher or some such position with the OPP. There are a number of civilian occupations connected with the Ontario Provincial Police force, it would seem, and these displaced small-town constables, it seems to me, might very easily be fitted into the civilian force. Their age, experience and education do not make them suitable recruits for the police force *per se,* but it does seem to me we might make a special effort to accommodate them on the civilian auxiliary side of the OPP and I extend this suggestion to the Attorney General for his consideration.

Mr. Singer: Mr. Chairman, I wanted to advert for a moment to our previous discussion about the use of Mace and wire tapping. We lawyers often overlook the obvious. We finally got the Attorney General to say that he might consider bringing in legislation. It occurred to me, Mr. Chairman, as that discussion was going on, that perhaps we have some power now. And I looked at section 62 of The Police Act and also at section 39(b) and it is my thought that we have the power now; the Attorney General could now, today, tomorrow, with his colleagues in the Cabinet, take whatever steps he thought were necessary insofar as controlling the police in their use of Mace or their use of eavesdropping equipment is concerned. Now, section 62, subsection 1 of The Police Act says this:

> The Lieutenant-Governor in council may make regulations,
>
> (a) for the government of police forces in governing the conduct, duties, suspension and dismissal of members of police forces.

It would seem to me that if the Lieutenant-Governor in council—who in this case, I would think, would act on the advice of the Attorney General—can make regulations for the conduct and duties of members of police forces in Ontario, all we need is not a complicated new statute, all we need is a simple regulation passed under section 62(1)(a) of The Police Act. Then I looked at some of the provisions that relate to the police commission, and while they are not quite as broad as this:

> It shall be the function of the commission—

and I am reading now from section 39(b) of The Police Act:

> —to consult with and advise boards of commissioners of police, police committees of municipal councils and other police authorities and chiefs of police on all matters relating to police and policing.

When you relate all that, Mr. Chairman, to what the chief of police of the city of London said the other night—he said, in effect, in the newspapers and on television that he was just waiting; he was going to carry on the way he was until the Attorney General directed him to do otherwise.

Now, the Attorney General has the power here and he needs nothing more than the power he already has in section 62(1)(a) of The Police Act to convince his Cabinet colleagues to pass the necessary orders in council, and he certainly does not even need to do that if he wants to act under 39(b). All he has to do is to tell his friends in the police commission to go out and tell the commissioners of police, police committees and other police authorities and chiefs of police what they should do about matters relating to the police and policing. So I think we have really made a mountain out of a molehill. We relied on the Attorney General's earlier statement to my hon. leader when he said, "I really have no authority to do it." And I think the Attorney General successfully for a time dragged a red herring across the whole trail. He has the power, his colleagues have the power and they can act now without even bringing a statute to the floor of the House if they want to.

Hon. Mr. Wishart: The hon. member would be the first one to object if I, under the language of section 62(1)(a) in regulation, where it says "The Lieutenant-Governor in council may make regulations (a) for the government of police forces in governing the conduct, duties, suspension and dismissal—" Now, anyone, surely, reading that, would take

from it the meaning that it is the personal conduct—

Mr. Singer: Pettifogging again—if you do not want to act, do not, but you have the immediate power to do so if you want.

Hon. Mr. Wishart: I like to act in a proper manner and I am sure that a regulation that says—a regulation in the Act, mind you, not a statutory direction, but a regulation—that says the Lieutenant-Governor may pass a regulation governing the conduct, duty, suspension and dismissal—now, reading that together, surely does not lead the hon. member to think that that goes down to the point of saying, you can use this—

Mr. Singer: It certainly does.

Hon. Mr. Wishart: Oh, I do not think it does. Well, I must just respectfully disagree. And I am not dragging a red herring; if there is any red herring it is coming from the hon. member; he is trying to say that gives power. And 39(b)—"the function of the commission shall be to consult and advise"—now that is the very thing that I indicated in the House, today, we are doing; we were going to advise but that is as far as our power goes, to advise. So we are making use of that power, and that is the only power I suggest we have at the moment. I cannot accept the suggestion that the language of that regulation applying to duties, suspension, the conduct, in that context applies at all to the use of such things as Mace, or the practice of wire tapping with electronic devices. I just have to say I cannot accept that; that is not the way I interpret the language; and—

Mr. Singer: How do you interpret that section? What does it mean?

Hon. Mr. Wishart: That is really related to the code of offences which follows the disciplinary code for police.

Mr. Singer: Surely you can make it an offence to wire tap unless the police commission gives it its approval—unless there is a chain of command, unless there is permission, and so on—surely you can create that kind of an offence?

Hon. Mr. Wishart: Well, you would be stretching language, and as I say, I am sure if I had done that the hon. member for Downsview would have been the first to object.

Mr. Singer: Well, Mr. Chairman, if the Attorney General says he is sure that I would have been the first to object, let him show me on the record one instance where either I or any of my colleagues have brought before this House, a complaint against the Attorney General for improperly passing regulations when he has the statutory power of recommending regulations and where he has the statutory power so to do.

Now, Mr. Chairman, since the Attorney General wants again to quibble about the meaning of words, let us get all the quibble again on the record. He says: "I abhor these practices; I think something should be done. It would be better if it was done in Ottawa so we are going to wait until Ottawa eventually does it, but I will think"—and he only gets around to the third stage—"I will think about recommending to my colleagues that we have new legislation."

And then, finally, when we show him, I think, the reasonable power that he presently has, he says: "Really, that does not seem to be right and proper." It would seem to me, Mr. Chairman, that an eager Attorney General, who wanted to bring the kind of controls that he has talked about to this House this afternoon could do it; he has the available tools. The only conclusion we can come to is that really he is not very anxious to do it.

Mr. Chairman: The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Mr. Chairman, I would like to draw to the attention of the Attorney General, two specific cases with regard to the take-over of policing duties —in particular, Nipigon and Geraldton. Now I understand that Geraldton has been negotiating with your department since early in February and I interceded on behalf of the people of Nipigon as early as April 14. According to your letter here, you state that: "Within the next few weeks, I expect to be able to advise you whether or not we will be in a position to give your request consideration. When the policy has finally been decided, I will so inform you." Now, there has been a survey taken with regard to the policing of all municipalities in northern Ontario, and I was wondering if the Attorney General is in a position to say what the policy of the Ontario police commission will be, particularly for the town of Geraldton and the town of Nipigon.

Hon. Mr. Wishart: Could I first, Mr. Chairman, thank the member for Sudbury for the compliments he paid the provincial police force? I am sure that it is merited and I appreciate his being kind enough to give credit where I think credit is truly due. While

I am speaking, perhaps I could deal with one other point—he said, "Move with greater alacrity." The only thing that delays us, really, is funds and the training of personnel.

I think one will appreciate it takes time to train additional personnel and to recruit a proper force, with proper training, and to have gentlemen of this House vote larger sums to finance the operations of the provincial police force. But I appreciate the remarks he made very much. Now, the hon. member for Thunder Bay, I am wondering if I am between two fires here, his leader says, "Do not be so fast because you have got to take care of the chaps on the force." What am I going to do with Nipigon? Am I to wait until they have all got a job? Am I to ask the local municipality to get them jobs, assuming that the provincial police cannot locate them? This is one of the considerations, quite frankly—

Mr. Stokes: They are doing it now!

Hon. Mr. Wishart: —that delays us in moving into some of these take-overs. The other, and you ask for the policy of the commission, is exactly as I have expressed it in the general policy—it is a matter of consulting with the police commission and with the commissioner of the Ontario Provincial Police, and we usually consult in concert together, to ascertain that the provincial police force has adequate number of personnel, and that there is a facility there, or a detachment near, or some accommodation for chaps who will have to come in and take that responsibility on.

Now, I have not got the detail of these two municipalities before me at the moment but, generally, the policy of the commission is that we move, giving reasonable notice if we can, and your leader seems to think that we are too quick on the draw, if I may put it that way, because it leaves somebody out of a job. I am just as sympathetic as he is.

But the policy is to move to the small forces, and take that responsibility away from the municipality on request, and only on request, as quickly as we are equipped with personnel and with the accommodation. Now, that is the policy but, as I said before, I would be glad to have suggestions as to what do we do with the men that are there now on the force?

Mr. Stokes: Well, these are two cases that I have brought to your attention where they have asked you specifically to take it over and have been doing for the last six months.

The OPP is actually policing the town at the present time. And all I want is for you to take over, to perpetuate what you are doing, but to take over the cost of policing the towns. They equate the situation at Nipigon with the one that you referred to earler—at Keewatin—where they lost their only industry and where they were having a tough time paying for the cost of it. I submit to you, through the Chairman, that Nipigon is in the same predicament. They have lost their only industry with the closing of the plywood mill; the welfare payments in the town have tripled as a result of it; and I have brought this all out in a letter that I sent to you quite some time ago.

As I say, we are not complaining that you are doing it too fast—it is just the reverse; the OPP is already in there. The reeve and the town councils have been asking you for some four or five months to state your policy on it. And I do not think you can equate this specific instance with what my leader has said with regard to Blind River and other instances that he brought to your attention. I do not think that they are comparable at all.

Mr. Lawlor: Mr. Chairman, this is my first opportunity to jump into this part of the debate, and I would ask for a ruling from the chair before going on any further—namely, that the two votes, 210 and 211, be taken together. We started out, Mr. Chairman, if you will remember, talking about wire tapping and eavesdropping and so on, and we have gradually got over onto the other area. These are overlapping areas. If I look at the Ontario police commission report for the end of the year, and then contrast it with the report of the Ontario Provincial Police, they cover the same topics. I wonder if the Attorney General would permit that, and I could get whatever I have to say out of the way because I find the whole thing all tied together.

Hon. Mr. Wishart: I would be most agreeable, Mr. Chairman.

Mr. Lawlor: That being the case, I am vastly amused, Mr. Chairman, by the comments made by the hon. member for Downsview; to construe 39B (b) in terms which read: "To consult with and advise," into imperative, mandatory or directive wording, giving the Attorney General the power to tell the police what to do, seems to be stretching the thing somewhat slightly. What I want to refer to is the overall policing in this province—the role of the police, the job that might be done, and the job that is

actually being done at the present time. Before launching into that, perhaps I might make mention of two other facts arising out of the wire tapping debate.

Number one, I would like to join with the hon. member for York Centre (Mr. Deacon) who made, the other day, some remarks as to the role of police commissions themselves. When police commissions are self-perpetuating, appointed bodies in which only one individual —and that is not too often the mayor—comes on to the board as new blood, operating, and the body has ossified and gone into sedimentation over a period of years, and no longer thinks in contemporary terms at all, when you have got this kind of beast or entity to deal with, then you can hardly expect to have very much democratic control. And you could expect to have a good deal of autocratic obtuseness operating within the area of police commissions. In other words, if as a gesture towards bringing some control over the use of wire tapping devices, through the expansion of police commissions, say to 12 individuals in Metropolitan Toronto, comprising a number of citizens who have no necessary legal training—but simply intelligent people who can give directives and who know how, who are interested in how these things operate—that sort of thing might be a move to bring about a modification of the situation, touching wire tapping itself, which would be perfectly within your power and would not require all kinds of legalistic gymnastics to achieve.

Apart from that, there is one other small point which we have not talked about and which would be interesting, and will, no doubt, be of importance when we come to legislation. That obviously only a certain range of crimes, only certain types of crimes ought to be covered. We were talking about crime syndicates. Obviously wire tapping in connection with crime syndicates would have to cover a vast range of issues, whatever type of conversation happened to go on. But in respect to single isolated acts of a criminal nature, then, of course, we will have to segment out those acts which we think are sufficiently felonious over against the misdemeanours that would be warranted. And to set out that field in itself could cause prolonged debate. Therefore I drop the matter right here.

Going to the role of police in this province, in between Christmas and the New Year of this past year, the *Globe and Mail* had a front-page article about a conference that took place at the American association for the advancement of science, in which three or four men made speeches touching the role of the police in contemporary society. Richard B. Huffman and Gordon Misener of the University of California school of criminology, Berkeley, and Robert Riggs of planning research corporation, Washington, D.C., and Los Angeles, reported on various studies of police departments. Now, I am not going to advert to this at great length, but, nevertheless, the headline reads: "Crime fight 5 per cent of the police job, study shows." Dr. Riggs said, "a study of an unnamed mid-western city—one of the ten largest in the United States—showed that the police department spent close to half its annual budget on community services like traffic and crowd control and escorting visiting VIPs. Only 5 per cent of the budget was actually spent on fighting crimes of violence."

The article goes on and elaborates the point with the other professors, the other men involved in the thing—Dr. Huffman, for instance, gives pretty much the same facts. Since we are trying to shorten this debate somewhat, I shall allow the Attorney General to look at that article, which has a good deal of solid meat in it, at this time. Now, arising out of that, comes the whole problem of the relations of the public with the police. This is a dangerous topic and somewhat treacherous ground on which I am going to tread. Nevertheless, as a member of the Legislature, I think it may be permitted, and even in honesty and all integrity, advisable so to do. The police have on their side the whole panoply of the establishment, everybody interested in the *status quo*. Everybody who wants to keep the solid pillars of society standing, they all come down hard on that position. We all know the magistrates and the court will believe a policeman against a citizen any day of the week; we know that this is inherent in the psychology of a society that does not want to fall into degrees of anarchy.

Nevertheless, what better than an Irishman to raise his voice against that particular kind of oligarchy and to speak about those people who have been disaffected, about those people who have run up against the police and found them not to be cultured gentlemen; to find them to be on the other side of the fence, in some instances oafs, in other words; and also men concerned sometimes with brutalization, with acts of violence against the person. I cannot help but recall—I do not have it in front of me at the moment—an article by Ron Haggart not so long ago, where a per-

fectly reputable citizen, confined in a jail on one occasion, looking through a hole in the wall, saw—and this was reported—numerous citizens being beaten up. This is something that is lamentable and you had better say "Oh", because if it goes on, then we are in a police state and that is a grave danger that is hanging over us. In 1824, or whenever it was about that time, when the Peelers came into existence—the first regulated police forces in the western world—it was to control an increasing population given over to greater and greater degrees of anarchy; there were grave problems in the enclosures and so on, and the situation in England was leading, because of social problems, to a considerable amount of violence in that society. And so they brought the police forces in and on the whole no one can help but agree that they are a good thing. But, nevertheless, like all institutionalized mechanisms, it takes on arrogance and the sense of its own worth, and intends always to abuse. And it is the abuse and the possibilities of abuse that lie within our police departments that I am concerned with today.

We have sufficient evidence in the newspapers, and iron-clad court experience, of the actions of police in threatening, in using devious devices, in promising things to elicit confessions, and in straight beating people up. I do not suppose it is necessary, even for factionists, to show who is boss. Now, this is not a sub-society acting on its own within the larger society; they are our servants and these men must be trained in ways and adopt attitudes which would be climatized to the good intent and the overall benefit of the society.

The police are held in disrespect; they do not get the support of good average citizens, and they are partially, at least, responsible for that themselves. And you, Mr. Attorney General, to the degree that you have control over those forces in the type of training that is being given—and I will go into it in a moment—are equally responsible. There are the questions of psychology; and questions of broader emphasis to be exercised here of sociology and the role of a police force in contemporary society.

My suggestions today will be, I suspect, rather radical. I think there should be a thorough going-over, deep-rooted, and a complete revision of the police force. We should take a new look at our whole police apparatus —in which direction I shall mention in a moment—but Dr. Huffman, in this article, said that although 75 per cent of the constable's time is spent on community service work, most of his training centres on dealing with criminals. This develops, what he calls, a "criminalgenic attitude", detrimental to his dealings with the general public. Now, arising out of all these words, that verbiage, I look at the Ontario police calendar for the year 1968, and looking at page 17, I see the courses that are being given to the police constables on the Ontario Provincial Police.

Indeed, these are 12 week courses, divided into two parts, and I go to part (a)—I will not detail them at all—this subject matter includes everything from law, to courts and evidence, great sections on law and traffic, and courts, and physical activities from police methods and then cut down at the bottom under heading 6 called "miscellaneous"—sort of thrown in for good measure, I suppose, along with "examinations"; "first aid" and "English"—is something called "public relations".

Apparently that is the extent of the public relations, whereas it is my contention that public relations is primarily more important than any other aspect of their whole duty, their whole approach to that public, and their intention in courtesy to alleviate those in distress which is the bulk of the people, and not to inflict themselves in some demogogic way upon individuals.

How often does a police officer, with very little role up to that time in society, suddenly, dressed with the powers and puffed up with his new found responsibility, lord it over the ordinary and average citizens who do not know how to stand up for their rights; threaten to take them into custody, ask for rights of search and seizure which never come to light all the way along the row, which they have no right whatever to do.

This is a petty despotism in our midst and I think it is largely because of failure in training. I think that the old boys who run the stations are part of the wild west show, too; you know, the way of conducting a kind of quasi-military body in our midst there with the guns and the barking out of the side of the mouth, this is the state of masculinity that is supposed to be operative.

I turn then to the part over on the next page where they have another course—part (b) which is the other six weeks. They get no training in public relations at all. They know all about disorderly houses, indecent acts, fraud, identification parades, you name it—dead bodies—but they have nothing whatsoever on public relations in that part.

There are a number of courses outlined in this book where public relations are barely mentioned. I shall go on, finally, to the last pages of the thing with respect to the role of chief constables—the chiefs of police—and how much are they exposed to knowledge? I think this is where maybe the fault fundamentally lies as to the attitudes on the part of the chiefs of police in this regard—rather lofty and off-handed; that we are all snipers at the police, and that we are seeking to diminish their role and we are making their task more difficult—all that sort of nonsense which we always meet when we stand up for the ordinary citizen as to certain overweening attitudes and acts which are extremely difficult to detect in some cases.

They do not go as far as physical violence. It is a question of an attitude which in some ways gets under your skin more than actually being poked in the ribs—it is that whole mentality.

The chiefs of police—just to finish up on page 30—have some basic concepts in police action and police attitudes towards the criminal law, the courts, the legal profession, and the public and the accused, and that seems to be about as far as it goes. On the second week, on the last page, 32, there is mentioned "human relations", some concepts of behaviour, and so on. It does not seem to be dwelt upon or emphasized as I am emphasizing it now. In our society, and with the police forces particularly, because they are armed with very arbitrary and sovereign powers over our minds and our bodies, the whole institution could very well become a Frankenstein and may be increasingly such a thing in our very midst.

Our whole task and direction, while not crippling them in their legitimate work, is at the same time to call them to a sense of responsibility where they do not alienate the ordinary citizens over petty grievances—the business of handing out parking tags; the business of being snide or rude or sarcastic almost on every occasion possible when they have any reason to talk to the ordinary citizen.

Now what do I say with respect to the solution, or possible solution to some of these problems? I suggest something on the lines of the division of labour—that the training of a certain group of policemen, those with the stomach for it, or the head for it, might be directed on to criminal work. Because as they say, only 5 per cent or thereabouts of the job is criminal apprehension, detection. And the police who have a gift for that sort of thing, let them do it. But for the other 85 or 90 per cent of the police force, ought they to be exposed—and I am suggesting training in our community colleges—ought they to be exposed to a greater range of civil relations with the public in the way of aiding and helping in the business, as they say, of crowd control? More money is spent at Mosport controlling the crowds there, I would dare say, than in apprehending arsonists in this province.

With that in mind are there not special skills they should acquire such as a sense of good public relations? A citizen should be as open and desirous of participating and helping the police on every occasion, which we well know is not the present case. Ought not the role of group behaviour and group psychology be taught to these men? I do not think it requires any great brains to be able to pick it up; it is going into the reform institutions at the present time.

The indications in this direction during the estimates were excellent in this regard—the business of working intelligently with other human beings so as not to bring about hatred, envy and revenge, the sense of hitting back every time. Bring people along—the carrot is a lot better than the stick. You have given no training in this regard, and there is a resistance, I suspect, from the Metropolitan Toronto police in this direction—pantywaist stuff they say, coddle the criminals. Nonsense!

Those that are tough and want to do that particular kind of thing, let them operate within the criminal field. But those police doing traffic control, and those who are patrolling beats where there is very little incidence, except in perhaps a petty way, of criminal apprehension, and those who are engaged in crowd control, and in all areas of the civil community life, and so on, which comprises most of their work—why should they not be given a completely different approach and a different outlook? I am sure they would enjoy their work better; I am sure they do not want citizens snarling at them. I am sure they want to feel some sense of participation in the community.

Alienation always works both ways, you know, so part of their reaction to people is because they feel that the average citizen has very little respect for them and would not come to their aid. If this were the case, why not bring a greater accord, accommodation and a sense of community together in this particular regard? Why not, then, launch out into a greater area of police training; and why not, as the last report of the police com-

missioner, page 12, suggests, why not utilize the community colleges?

They say they do not want in any way to be taken away from the police colleges as such; fine, it has its role. Nevertheless the role of community colleges is growing and the infinite possibilities of these colleges in terms of skills in this very kind of training for policemen, for people engaged in fire-fighting work, or for people who are jail guards, for a whole host of citizens in terms of human relations, is very wide, and only beginning. And so why not seize it, and see that the kind of thing I have in mind as to public relations in the police force are brought to pass.

Mr. Chairman: Anything further on vote 210? The member for Humber.

Mr. G. Ben (Humber): I am not going to belabour this point long. As a matter of fact—

Mr. Chairman: May I just say that we should stick with vote 210? Ontario police commission.

Mr. Ben: Yes. I am not going to labour this too long but in listening to the hon. member for Lakeshore for the last 20 or 30 minutes it caused me to recall suggestions I had made to the hon. Attorney General last year. I believe it was when the presidential commission on crime in the United States published its report. If the Chairman will recall, I touched on the three types of suggested police officers or police personnel as were recommended by the report.

The commission recommended to the president that in the future there should be in the United States three types of police personnel: One would be a police agent, which would be similar to a detective that we have at the present time; that these should require a university degree in order to qualify as a police agent. This group would carry out the investigation of crime. They would be the detectives.

The second would be called police officers and they would carry out functions similar to what the policeman now carries out. For this group you would not need a university degree.

The third group would be more or less community liaison personnel, who would be made up of cadets, third-class constables and the like. Now, their job would be to act as community liaison, and they, of course, would require less training than the other two categories. I was inclined to rise this afternoon after listening to my hon. friend from Lakeshore because he would suggest that you train all officers alike, whereas this is unnecessary if you put them into specialized categories. Last year I asked the Attorney General to give some consideration to the recommendations which I made then. What comments has he got to make now with the passage of one year? Will he make some implementation of such a proposal as that recommended by a commission to the President of the United States?

Hon. Mr. Wishart: I can only say that I am aware of the view of the hon. member and he has repeated it again with some force, and I know the recommendations which arose out of that report, which he refers to. It is not practical at this time to implement, certainly not at full scale, that quality of training and education to divide the force into classes at this time. We have plans for extending the courses at the police college, both in programme and facilities, but to go to the length of those recommendations at this time is just not feasible.

Mr. Ben: Mr. Chairman, I would not for the world expect the Minister to implement any such suggestion overnight, but the fact remains, however, that the Attorney General could now lay out a programme for hiring individuals with university degrees to form a cadre of this specialized police agents group. That is the first step that could be taken. Likewise, he could start hiring those with grade 12 education to form the bottom group or community liaison group, and you could, for instance, have the nucleus of the suggested liaison force. But surely right now you could create a special category of police officers who have a degree and pay them accordingly and develop them into this police agent group, could you not, Mr. Chairman?

Hon. Mr. Wishart: That is possible and could be considered.

Vote 210 agreed to.

On vote 211:

Mr. Sopha: I want to ask the Attorney General if, in view of the fact that the Ontario Provincial Police are taking over the policing of smaller communities—or to look at it from another aspect, the provincial police have been concerned with the policing of smaller areas and municipalities—I would

like to ask to what extent they become involved in this system under The Liquor Control Act whereby they report people who are indulging in excessive use of alcohol, and who are subsequently put on the interdicted list? I should like to ask him how widespread the involvement of the provincial police is in this system?

Hon. Mr. Wishart: I think that the answer is—and maybe I can get some further information on this—but my understanding is that usually persons are put on the interdicted list on complaint of some member of the family, or after they have been the subject of a number of complaints of a near relative such as the wife, or member of the direct family. And I think that the provincial police are not specially involved in this matter except as it comes to their attention in the ordinary enforcement and carrying out of their duties. I could ask the commissioner and perhaps get some further information on the point. He has nothing further to add than what I have related.

Mr. Sopha: Well, from a personal experience of cases that have been brought to my attention, it used to be that the local provincial police officer would write on his own motion to the board to put a person on the interdicted list. Does that still obtain?

Hon. Mr. Wishart: The commissioner advises me that there is a special branch of the OPP, the liquor enforcement branch, and they have very close liaison with the liquor control and licence boards, and it is possible that a report might be made on individual notice, but I am not sure how far they go as to the question of interdiction. But I would expect that the police would carry that out. I do not seem to be able to get any information on that detail at the moment. I can find out for the hon. member.

Mr. Sopha: Well, it strikes me that—

Hon. Mr. Wishart: I think this would be part of the duty, in the ordinary course of their duty, that they would make these reports if they found people abusing their privileges, and damaging themselves and their families. I think that this would go on.

Mr. Sopha: It strikes me as being a very nefarious and discriminatory practice. One is reminded of the index of heretics that the holy office used to keep in the days of the inquisition in Spain, where they kept lists of heretics; and this smacks of something similar to that, that a provincial policeman on his own motion can write in to the liquor board and have a person's name appended to that list. Now, really, could the Attorney General not lay it down as a matter of policy that in all cases where this desire to interdict a person from excessive use of alcohol, appropriate steps be taken to take that person before a magistrate and have him to do it? If a person is indulging in alcohol to excess then it is guaranteed that he is going to infringe some section of The Liquor Control Act because there is no statute on the books of the province that is easier to offend than that one.

You can offend that one involuntarily almost, or get yourself in a state of violation through use of alcohol, and then guarantee that you are going to offend the statute. But could we hear from the Attorney General that as a matter of policy in addition to that allusion that I used—in respect of it, it almost smacks of making the policeman a common informer, that he is a sort of spy in the area and uses this information. I do not know how it works after he writes in. My experience tells me that somebody writes in, the relative, wife or mother, and the board puts in an order to put the person on the list. I wish my friend from York South was here because I would call his memory without using the term, I would remind him of what that list used to be called by those who were not careful of their speech; you just summon up a slang name for the list; but it will come to mind what the list used to be called. I can see by the facial expressions that there are quite a few that remember, but I am not going to allude to it by name. I think that the whole thing is wrong, it is just wrong, and I hesitate to see provincial policemen using extra-judicial authority.

After all, they are making a judgment, and I have had a case called to my attention recently—and I am not going to recite the facts of it, but I thought the whole thing was pretty sinister—they exercised a judicial judgment themselves; they see the individual round and about a small town, and who can escape notice in a small town? And they decide the person is using alcohol excessively. That is a quasi-judicial decision, and as a result of the conclusions the policeman comes to, he writes a letter to the liquor board with the result that that person's privileges are

suspended. Now, look at the discriminatory angle of it: If a person lives in a large metropolitan area like Toronto, to put him on the interdicted list is meaningless, it is completely meaningless, because there are any number of outlets to which he can resort if he wants to avail himself of the beverage, but in a small town, on the other hand, to put him on the interdicted list is a real punishment.

And I do not see that the power to punish in a sort of a backhanded way, in a left-handed way, perhaps, ought to devolve on a provincial policeman, I do not think he should have that power. If he thinks that individual "X" is using alcohol without responsibility, then let the policeman take the case before a magistrate and let the magistrate decide, upon hearing proper evidence and submissions, whether the person ought to be interdicted.

As our policing of the smaller communities increases by the provincial police, this is a weapon in their hands that I do not think they should have. And, besides, finally, I say those things on the sure opinion, an opinion firmly based, that to deprive a person of alcohol by means of edict is not helpful at all. The law should not be on the statute books of the province in the first place, it should be obliterated from the statute books because no amount of prohibition of that nature is going to help the individual who indulges to excess at any time. His reform will come in different revelations to himself of the error and, indeed, the suffering and the pain that excessive consumption of alcohol will bring. But that is a matter for another debate.

I just say to the Attorney General that I wish he would say to his chief commissioner of provincial police, "Let us get rid of this system and let us do it in appropriate fashion if it needs to be done. Let the local magistrate make that determination and assume the responsibility for it and get rid of this"—I do not think it is too much of an epithet to say this—"sneaky way of doing things in writing a letter".

Anybody can write a letter and not assume the responsibility for it and I suppose if the local policeman writes the letter to the board and asks for the prohibition to be imposed, the board would not make available to the person affected the name of the informant which surrounds it with a more sinister atmosphere than it need have.

I would plead in the open society, the permissive society, where we are going to let people do all kinds of things—they dress in outlandish fashion—

Hon. Mr. Grossman: Who dresses in outlandish fashion?

Mr. Sopha: Well, some people.

Hon. Mr. Grossman: Are you referring to the Prime Minister of this country?

Mr. Sopha: No, I am not, I am referring to Norman Depoe's son as seen on the television last night, and others. We let them do all sorts of things in this permissive society and I would be broadminded enough to say if people want to drink to excess, let them. Let them do it within the limits of their own homes. I am all for imposing obligations—because a person drinks that does not mean he escapes his obligations, but what I really want to say is you do not cure him but are merely attempting to cut off the source of supply.

The policy is fallacious in that if it was ever attempted with success, it would be ruinous to the Provincial Treasurer (Mr. MacNaughton). But this aspect of it, involving the provincial policemen: In the local community, one wants him to develop a high rapport with the people he serves; some of those policemen in small communities are there for many years and they become very much a part of the community.

The chap at Gore Bay, for example, a very good one, has been there, I will bet you, upwards of a dozen years; he has been at the capital of Manitoulin Island, perhaps longer than that, but they establish a tremendous liaison with the people in the community and their success is a direct reflection, of course, of the rapport that exists between them and the local inhabitant.

I do not like to see any duties imposed upon them, or privileges given to them, that will detract from the very best relations I like to see these people have with the local inhabitants of the community. They are all the law in those small communities, sometimes out of the way. Can you imagine a fate worse than being stationed in Pickle Crow? Surely they must not keep them there very long, I hope—I hope they rotate them—but I had a look at that place—

Mr. Stokes: That is in Thunder Bay; you should watch what you say!

Mr. Sopha: I mean no disrespect but you would have to think twice about going there to retire. But it is a very valid point and the member for Downsview and I, of course, want to see the day hasten when in all these small communities throughout the broad reaches of this province, principally north of the French River, the police force is the Ontario Provincial Police. Of course, everybody concerned with its management wants to do everything they can to help the creation of the very best relationship between the members of that force and the people they are serving on behalf of the government of this province.

So I hope the Attorney General will tell me at eight, Mr. Chairman, is being six of the clock, that that practice will cease.

Mr. Chairman: Is vote 211 carried?

Mr. Sopha: No.

Mr. Ben: No. I want to speak on 211.

Mr. Chairman: Does the member for Humber want to debate vote 211?

Mr. Ben: Vote 211, yes.

It being 6:00 of the clock, p.m., the House took recess.

No. 140

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Monday, July 8, 1968

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

The House resumed at 8 o'clock, p.m.

ESTIMATES, DEPARTMENT OF THE ATTORNEY GENERAL
(Concluded)

On vote 211:

Mr. G. Ben (Humber): Mr. Chairman, before recessing for dinner I rose to discuss the Ontario Provincial Police, and a topic that I have mentioned on previous occasions is the operation of ambulances along main express highways by the OPP if they are patrolled by the OPP. My recommendation is that the cruisers, or the patrol cars, ought to be converted into ambulances, or else station wagons which, in fact, double as ambulances, ought to be used as police patrol cars. I recall my civil defence days, when it was called civil defence before it became emergency measures organization, when we were planning escape routes from the city of Toronto, and it was estimated that Highway 400 could carry 2,000 cars per minute past a given point.

Mr. E. W. Sopha (Sudbury): It was for the Cabinet.

Mr. Ben: I guess they were all probably headed up to Sudbury or some place like that. Anyway, that is what it could carry, and that was utilizing both lanes for traffic going north.

The fact remains that on any weekend in the summer, Highway 400 does move approximately 1,000 motor vehicles per minute past a given point, going in one direction, and I daresay the same probably applies to 401 going east from Toronto. I cannot speak from too much experience westwards.

An hon. member: You mean eastwards.

Mr. Ben: The 400 could carry, under defence or emergency facilities, 2,000 motor vehicles per minute past a given point, using four lanes. That is 500 cars a minute per lane past a given point.

Mr. D. C. MacDonald (York South): That is eight cars per second.

Mr. Ben: That is right. That is what civil defence planned for when they thought they would have a couple of hours if they wished to evacuate a city. Things have changed since then.

Hon. S. J. Randall (Minister of Trade and Development): I call that low flying.

Mr. Ben: That is 500 automobiles past a given point per minute; eight per second. Anyway, it is a solid line of automobiles.

An hon. member: You bet it is.

Mr. Ben: And what happens if there is an accident? First of all, traffic slows to a crawl because people want to see what happened, and even when the police stay there to wave the people on, traffic still moves at a crawl.

Mr. Sopha: A lawyer's field day.

Mr. Ben: It is difficult for an ambulance to get to the scene. Normally, I trust, the police are prudent enough when requesting an ambulance, to request one from the 400 north of the accident scene so that it can speed to the scene of the accident against the heavy flow of traffic. It can then move back north, because the the traffic again spaces itself out after it has passed the accident scene.

The fact remains, the first person normally on the scene following an accident is the OPP, and I suggest that if they were riding in motor vehicles which have been converted to ambulances they could take the names and licences of the parties involved, and then speed the victims to a hospital and let the investigation be carried on by the police who arrive in the next patrol car.

Now, there are a number of patrol cars operating on the 400 at any weekend. I saw three of them at one accident scene over the weekend—as a matter of fact just yesterday—but there are not that many ambulances around. I should think that the prime interest when an accident occurs is to get the victims to a hospital to try to save lives, and not simply get the names and addresses for the purpose of prosecuting the parties involved. Saving lives is the important function, or

should be the important function of the OPP, and they should be geared to that.

In instances where the injuries are very severe, I think that a helicopter converted to carry litters or stretchers should also be utilized. We have enough helicopters in the vicinity of Toronto, and, in fact, in Toronto they are giving reports on traffic. I think that perhaps these radio stations who operate helicopters giving traffic reports would also be performing a useful service if these helicopters were converted to take litters or stretchers, so that they could land when they see an accident and take a patient to the hospital.

The Hospital for Sick Children, I understand, has had its roof converted to a helicopter landing area. Perhaps other hospitals could do the same. The fact is that at the present time I think too many lives are being lost and too many injuries being made permanent because the victims of an automobile accident on a major thoroughfare in this province are not taken to the hospital in sufficient time.

I would ask the Attorney General to pass on that, Mr. Chairman.

Hon. A. A. Wishart (Attorney General): Mr. Chairman, when we adjourned at 6 o'clock, the hon. member for Sudbury had asked some questions about the role of the Ontario Provincial Police in connection with placing persons on the interdicted list. I have been able to get information during the adjournment, and I should like to give this information to the House now.

The first situation is where there is no conviction of a person, the member of the family gets in touch with the liquor control board. I find that the board then usually refers the matter to the Ontario Provincial Police for investigation, if it is in territory which is being policed by the OPP. If it is a municipal situation, I presume it is referred to the municipal police, and not to the OPP. The Ontario Provincial Police carry out investigations by consulting all persons who would be presumed to have knowledge of the matter. They explain why they are investigating and doctors, priests, ministers and neighbours are consulted.

They do not always, I am told, divulge the name of the complainant—it is quite often not given to the person who is being investigated. Then they make a report to the liquor control board of Ontario, which is a strictly factual report, without recommendation, unless they have been requested, or they have a history—they may report that and indicate their feeling in the matter. I am informed they always interview the person of whom the complaint is made, and this is usually followed up in a couple of months time, to see how the matter has changed, or improved, or deteriorated.

The second case is where there has been a conviction for such things, for example, as illegal handling; keeping for sale; selling to or supplying minors—something more than a minor charge under the liquor Act. The constable sends his report to the detachment commander and it is submitted by him to the superintendent of the district, and then to the liquor branch of the Ontario Provincial Police. Then it is forwarded to the liquor control board of Ontario. That is when there has been a conviction.

The third situation is where a person appears in family and juvenile court. This, I am told, is something like the show cause summons procedure, where there has been misconduct as a result of indulgence in liquor —wild spending; reducing the estate, or dissipating assets which are needed by the family—if there has been a history of habitual drinking, failing to provide, that sort of thing. He is brought before the judge to show cause why he should not be placed on the prohibited list. The court, I am told, then furnishes its findings to the Ontario Provincial Police, and they submit in the usual way.

There is another situation where the person convicted by a magistrate or judge is given a term of probation, a proscription against the use of liquor. The liquor control board complies with that by placing him on the list. The Ontario Provincial Police may have some relationship in that situation, but that would not be a usual one.

The fifth and last item on which I have any information is the situation where the premises have been declared a public place. That almost automatically calls for the owner to be placed on the list. Those are the answers that I have for the hon. member for Sudbury.

Dealing with the remarks of the hon. member for Humber, I know that he is going to say that that is what he would expect, or what I have indicated before, but I think that the situation has changed somewhat from last year; quite considerably, in fact. The primary function or duty of the provincial police is the enforcement of law and the maintenance of order, and if you were to place upon them, as a matter of course, duty—

Mr. Ben: May I place a question? Would it not be the preservation of lives and property?

Hon. Mr. Wishart: I am not downgrading that or placing it in any secondary order. I am simply saying that the duty of the police is the enforcement of law and the maintenance of order.

If you place upon them the duty of an ambulance service, I think that you largely dissipate and, to a great extent, destroy that function. It is all very well to say that it is important to get the seriously injured person into hospital. I would agree with that. But surely there must be someone to investigate the cause of that accident, and to take names and addresses, and to take pictures, and get details and measurements, and to see who was involved, to ascertain if there was drinking in the situation, or impaired drivers. These are important if the law is to be enforced and if we are to have the proper approach to it.

Now, we have this other thing that I come to and, without taking away the importance of helping the injured, we have brought in during the last year The Ambulance Services Act. While it may not be possible to have an ambulance or two ambulances present at every situation where there is an accident and someone is injured, we have across the province, now, moved from the old situation where the ambulances were privately operated on a rather haphazard basis by the municipalities to a scheme which the Minister of Health (Mr. Dymond), I am sure, would be able to enlarge upon. In describing the wide coverage, I say to my colleague that he has given—through The Ambulance Services Act—a means of providing ambulances to serve every area. I do not think in the circumstances that you can saddle or burden the provincial police with this function.

I would add that in many cases, without question, provincial police—where there are serious injuries and persons are in danger of bleeding to death or deteriorating badly—use their vehicles to get people to hospital and first aid; and this is very frequent. But to make this a firm rule would not be in order, and if the Minister cares to advise about how extensive the ambulance coverage is, I should be glad—and I am sure the House would be glad—to hear from him.

Mr. Ben: Well, Mr. Chairman, we pass laws in this Legislature and elsewhere for the preservation of life and the protection of property, and the prime duty of anyone who is charged with the enforcement of law is to carry out those two functions—to preserve life and protect property. All our laws are geared to that end. We are not for one minute suggesting, Mr. Chairman, that the policeman ought to disregard the miscreants whenever an offence takes place. We did not say that. One of the first things I said was that the first provincial policeman arriving on the scene under the circumstances I outlined would take the names and addresses of the involved parties; he would take their licences, and then he would depart with the injured and leave it for a subsequent officer to do the investigation of which the Attorney General spoke.

Or else he could ask them to wait until he returned if there was such a call for the services of the Ontario Provincial Police. I might add, Mr. Chairman, that if it was necessary for the parties involved to await the return of the first officer who had to take some victim to a hospital, then the OPP are very grossly undermanned. Whichever way you look at it I think that the Attorney General has struck out. No one is suggesting that the miscreant ought to avoid responsibility. What we are saying is that the preservation of life should be foremost in the Attorney General's mind and in the minds of the Ontario Provincial Police and that they should accordingly govern themselves toward that end.

Mr. Chairman: The member for Yorkview.

Mr. F. Young (Yorkview): Mr. Chairman, may I ask, through you to the hon. Minister, a question in respect to what he has just said about the OPP being charged with the responsibility of investigating the causes of the accident? Many of us have been concerned for a long time with the matter of defective cars on the highways and I wonder how far the Ontario Provincial Police are instructed in respect to looking for defects in the cars involved in accidents.

I know that unless they are trained mechanically it may be somewhat difficult for them to pinpoint certain defects that may have occurred. But there are obvious things, it seems to me, in the case of accidents, particularly those where a car has gone off the road of its own accord; cars that have taken an erratic course which they should not have taken.

How far does the research really go in cases like this? What do the OPP do to try

to determine if there have been defects, and if the car was at fault as well as the driver?

Hon. Mr. Wishart: My information is that the Ontario Provincial Police do not ordinarily, when attending the scene of an accident, make a study of the vehicle for a hidden defect. If it is apparent they note it. They do not do research on the vehicle to ascertain if there was some defect on it unless there is something about the circumstances that would indicate that something went wrong with the vehicle. That is the situation at present.

I would be glad to consider that thought and discuss it with the commissioner of the Ontario Provincial Police.

I would point out to the hon. member what I mentioned last week in one of these sessions in the House during the estimates, that there is a study being carried on by an organization known as TIRF. I think the hon. member is familiar with it—traffic injury research foundation. We have had conferences and discussions. There are a number of agencies involved and concerned in it, and the police is one of them which furnishes certain information.

This is a situation where vehicles involved in accidents—not every one, but a fairly good spot checking—have research carried on to ascertain defects in the vehicles, what could be done to right them and bring them to the attention of those who manufacture them.

But to answer the question directly, as I say the provincial police do not look for, or examine a vehicle with a view to ascertaining if there is some defect, unless there is something about the circumstances that might indicate, or make it apparent, that there was something of this nature at fault.

Mr. Young: Mr. Chairman, might I just follow this up with a question of the Minister as to the liaison between the OPP and TIRF, that is, if there are unusual circumstances surrounding an accident, what are the procedures used at that point to bring this to the attention of the TIRF people so that they can investigate that particular acccident?

We saw one the other day—it was not an accident particularly—where the child died in the back seat. This was obvious enough, but there are many other cases where situations might not be as obvious as this. I was wondering whether or not a certain specific accident, or certain numbers of the accidents, are called to the attention of the TIRF authorities so that they can investigate.

Hon. Mr. Wishart: I would like to inform the House that there is liaison between the Ontario Provincial Police and the organization, and I recall that in the conference here the provincial police sat in with us.

But some of the requirements of this organization were pretty onerous, something like the suggestion of the hon. member for Humber, and more than the police could undertake to stay and do if they were to take it on as a matter of course in every accident. They can furnish certain information, but as I remember, one of the forms that they presented which were to be filled out at the time, apparently, was so involved that if the OPP officer had to do that he probably would not have got much else done for the morning or afternoon, it was quite a research chart that was required.

But there is liaison and assistance, and I would be glad to discuss it further with the commissioner and see what might be done to expand that and follow it up.

Mr. Young: Then the TIRF organization simply makes a study of the reports or forms that they get, rather than going to the scene of an accident and seeing something at first hand.

Hon. Mr. Wishart: I understand that they involve doctors, who treat the injured. I am not sure that they have engineers to look at some of the vehicles. They have a fairly wide range of research. I am not certain how far they go, but I remember that doctors are definitely involved, as are hospitals on the report. It just is not a police matter only. I do not know whether they send their own field workers out or not, but I have a feeling that they do.

Mr. Young: I knew that they did, but not to what extent, and I was wondering if their work was mainly research into records, rather than first-hand information, although I did understand that they did send some field workers out. I would hope that they would, or perhaps their research is not as meaningful as it might be.

Mr. Chairman: The member for Kent.

Mr. J. P. Spence (Kent): I have two questions for the Attorney General. In regard to unmarked cars patrolling our provincial highways, are there unmarked cars patrolling the highways in the province? And also on our provincial highways, we see aircraft patrols. What success are you having with these? Is this successful? Are you intending to increase them? What are your views on this?

Hon. Mr. Wishart: Mr. Chairman, there are no unmarked cars on traffic routes that are used in the patrolling of traffic. I know without looking for the answer that the aircraft patrol is a very effective and successful method of checking traffic violations—speeding and that sort of thing. Statistics that we have show a reduction in accidents where they were very frequent prior to the bringing in of the aircraft patrol. I have the figures here, but I do not need to recite them. I can say it is very successful.

Mr. Chairman: The member for Downsview.

Mr. V. M. Singer (Downsview): Mr. Chairman, I understand that the Ontario Provincial Police force is one of the forces, if not the only force, in North America which has a waiting list of approved recruits available from which it can choose new men. I would think that this speaks exceptionally well for the calibre of force that this is. In my experience, and I have had occasion to come across these policemen in their work several times in the last few years, I want to compliment the commissioner for the outstanding force that has been brought about. When he was first appointed, I may say—and I know the commissioner quite well; I knew him when he was in the Attorney General's department —I had some reservations as to how he would make out as a policeman. But several years of performance have convinced me that he was the right man for the right job.

Mr. Sopha: That was only because he was a lawyer, of course!

Mr. M. Shulman (High Park): In spite of being a lawyer, you mean.

Mr. Singer: Mr. Chairman, in my experience these policemen—the ones I have encountered in any event—have known their job, they have been well trained, they have been polite, they have been immaculately turned out—

An hon. member: They did not give you the ticket?

Mr. Singer: They did give me a speeding ticket, yes. I have watched them manage crowd control. The day the Prime Minister came to Toronto—

Some hon. members: A great day.

Mr. Singer: A great day. There were several Ontario Provincial Police out-riding on their motorcycles and they did an outstanding job. I thought that after what I had said through these estimates, it might be worthwhile if I paid a few compliments to those responsible for creating and maintaining this good force.

Hon. Mr. Wishart: Mr. Chairman, I accept the compliment. I know it is given sincerely, and I know it is appreciated, and it is nice to hear a compliment of this kind, such as was given also by the hon. member for Sudbury, paid to the Ontario Provincial Police Force. I think it is a force of excellent discipline, good morale, and first-rate training, and I am pleased, of course, to know that members find it courteous and helpful, too. I will say that we get a good number of letters of this nature. Occasionally, as is bound to happen, there is a member of the force who exceeds his authority or throws his weight around a bit, but generally the word which we get from the public who are in contact with the force is that it is doing a good job and doing it with courtesy and efficiency. I hasten to acknowledge the compliments paid.

Mr. Sopha: Mr. Chairman, because we want to maintain good public relations, there is a matter that very much bothered me. It is related to the matter raised before the dinner hour by the member for York South, in respect of damage caused to innocent third parties by automobiles of the force while engaged in enforcement of the law.

I believe I can associate the member for Parkdale (Mr. Trotter) with my remarks. When we served on the public accounts committee we took a position as being opposed to the government insuring its risks by the intervention of an outside agency. I believe, as a matter of principle, that, when servants and agents of the government cause damage through tortious acts, that the government ought not to interpose some alien agency between it and the citizen. The government ought to do what is appropriate in a direct way to compensate so far as money can compensate for injuries, loss, damage, that has been caused by servants of the Crown. It seemed to me to be a cold and heartless thing, that damage, even death—

Here we have a provincial policeman pursuing a motorist who is driving at a very high rate of speed. The provincial policeman takes off in hot pursuit and he develops a speed up to 90 miles an hour or more and he falls in behind a car. The errant motorist, the lawbreaker, is still some distance ahead. The provincial policeman pulls out to overtake the car he is behind—he does not see, he cannot see, that there are two 17-year-old boys on the road and he strikes and kills both of them.

To me it is just a cold and heartless reaction by government to then employ an insurance company—to have an insurance company interpose itself, on behalf of the Crown, to settle those claims. I would think that, believing as I do, that with a budget of $2.75 billion, as the Provincial Treasurer (Mr. MacNaughton) must find in this province, that the government ought to be a self-insurer in almost all aspects of tortious liability. If that were the case, it would bring into line the other principle that nobody ought to be interposed between the government and the citizen.

What would be wrong with a branch of the motor vehicle accident compensation fund being set up to deal with and adjust these claims, with an early approach by an agent of the government to those who were injured—in the case I cite, to the grief-stricken parents of the two boys—instead of waiting for them to assert a claim. I know in that case the parents asserted a claim and then the next person they meet is an insurance adjuster, who has really nothing to do with the thing at all. This is a place of direct contact between government and citizen in a democracy—and then that haggling over the amount.

I would think it would be a matter of good sense and good relations in such a case if the state, the government, erred on the generous side instead of that interminable wrangling over dollars and cents in an area where money really cannot compensate for the loss that has occurred.

I do not think the Attorney General or the provincial police, have any business employing an insurance company to underwrite its risks. I have no idea how much it costs a year, but I know this—that whatever the experience was in dollars this year, that if they continue the practice next year the insurance companies would just raise the premium. The premium would go up to cover the experience of last year's loss, plus the overhead and the profit features of the carrying of the business for the government.

So, looked at that way, it is not insurance at all. It is a charge upon the government by the insurance companies for relieving the government of the inconvenience of adjusting losses. But, as a matter of principle, I say the government should adjust its own losses. You see what happens here in the case, which was an extreme case, but it could happen again. The parents contact the Attorney General. He is responsible for the provincial police. They write to him. The Attorney General would probably reply. He would probably write them a letter, being the humane man that he is, but the next person they would hear from would be an insurance adjuster, an insurance company, someone not connected with the government at all.

Mr. G. Kerr (Halton West): What about appraising and adjusting claims?

Mr. Sopha: Pardon me? What did he say?

I am suggesting a branch of the motor vehicles accident compensation fund, and there is no question in regard to that fund, I say to my good friend from Halton West, of them giving money away. They do not. They are very realistic in their negotiations. This is connected with my overall view that the government ought not to insure at all against any form of liability. The Provincial Treasurer should be made to find the money and the government become a self insurer. There are many businesses that are turning over vast amounts of money and there are many that insure themselves.

But then of course there is another aspect which I am very much against, being a staunch constitutional monarchist—the whole business of bundling up the prerogatives of the Crown in a suitcase. The Deputy Attorney General gets them together, all the prerogatives, and takes them down to Bay Street to the head office of an insurance company and says, "Here, they are all yours now." And they can use all the constitutional devices that the best lawyers can dig out in defence of the claims that are asserted against the government, because the government has special pleas that are not available to the ordinary citizen, and that is an outgrowth of the development of constitutional law since the time of Henry I. They are not averse to using them.

I do not want to repeat the old story of poor old Perepelytz but in that regard they used an evasive, disingenuous constitutional device. They would not hesitate. Well, I take my stand, being the constitutional monarchist that I am, that those belong to the Crown, they belong to the government. The Attorney General is the custodian of them, not an insurance company down the corner of Bay and King Streets. I am suggesting that it is wrong for the provincial police to be insured by an outside agency.

That is the burthen of my argument, for the reasons that I have given. Basically, it applies not only to the provincial police but to every other aspect of government activity, that when the citizen is harmed through a tortious act of the state then he is entitled to speak to somebody who has the authority directly to

speak for the government and to seek redress from that person. To carry my illustration to its ultimate conclusion, if the citizen sat back, being wronged, and he wrote to the Prime Minister himself, then somebody on behalf of the first citizen would write back to him and say, "Do not take this up with me." He would put it in very courteous language. He would say, "Take it up with the head office of Guardian Insurance Company, which is at 330 Bay Street, Post Box 460." That, I say, is a wrong response to the citizen who has been harmed by the tortious act of a servant of the state.

This department probably has more motor vehicles on the highway which create a greater risk of injury to other users of the highway—as the member for York South has very appropriately pointed out—than any other department of government. So it is a very relevant place to bring the attention of the Attorney General to this.

Mr. Chairman: The Attorney General.

Hon. Mr. Wishart: Could I take a moment, Mr. Chairman, to deal with that point raised by the member for Sudbury? It is an interesting view which he puts forward. He submits that this self insurance by the government would do away with haggling in negotiation. I cannot quite follow that. I do not think that would happen, because to say that there would be no need to negotiate and no need to haggle as it were over the amount, would be to say that you would accept the first demand made. Otherwise, you have got to sit down and talk, adjust, and try to reach a fair and proper settlement figure, and that is what negotiations are all about.

Perhaps it seems incongruous that insurance companies should stand between the Crown and a member of the public, but at least there is this to be borne in mind, that if an insurance adjuster comes into the picture when the claim is made, it does provide two things: He has no interest in the matter, at least from the government's point of view; he is independent in a sense. He is representing the insurer, it is true, but he has an independence from government. He is not one of the parties involved and he does avoid political considerations which could very well play a part if a department of government itself had to negotiate in a matter of this kind. I am sure none of us are naive enough that we could not imagine that political considerations might militate one way or another in such a situation.

This is something that I think that the present situation avoids. If a friend of the government had a relative who suffered damage, I think there would be suspicion whether it existed or not. He would get special treatment, and with someone who was outspoken in his views of the government, I am sure that there would be the suspicion and perhaps even the suggestion that he had not been treated very fairly.

The other point which the hon. member made was that the Crown has special privileges. These have been pretty well done away with by The Proceedings Against the Crown Act, which leaves the citizen almost every recourse that could be had against any other person or party. There is, I am advised, a clause that the Crown is responsible for the torts of its servants, and there is discovery under The Proceedings Against the Crown Act. The Crown is responsible. There is discovery, and all the other rights and remedies which up to recently did not exist. So I think there is something to be said on the other side of that question. It is an interesting view and one that we might be prepared to think about, but at this moment I could not say I accept it, because I see immediately arising in my mind the arguments which I have tried to state briefly.

Mr. Sopha: Another aspect of provincial police work that I have had occasion to raise perennially is: I should like to hear from the Attorney General what was the experience of that anti-gambling squad in the previous year. How has it been working? I only encountered them once in the intervening year, and I won that round.

Hon. Mr. Wishart: They have been very active, and had a very successful year.

Mr. Sopha: Tell me, do they still go around at the instance of local chiefs of police, breaking up these penny-ante poker games? They might, a year or so ago, have started around here. But we have had a surcease here. Do they still go around breaking them up around the province?

Hon. Mr. Wishart: Generally, they act only on complaint, and when a complaint is made, they are pretty much bound to act. Generally, their actions are initiated by a complaint, and they are brought into action; that is the principle upon which they operate.

Mr. Sopha: Well, having come up out of the puritan age a couple of decades ago, my complaint is that when you have a group of people engaged in a relatively small poker game, playing for quarters or something, that it is not serious enough to warrant the intru-

sion and the great expenditure that is involved. This is irritation, really.

Hon. Mr. Wishart: The gaming law, or the law against gaming, is part of the code which we are bound to enforce and, as I have indicated, the provincial police have an obligation to enforce that law in their areas and they act on complaint. I might be inclined to agree somewhat with the hon. member for Sudbury but we have an obligation to enforce the law, and when it is brought to our attention, we have to act.

Mr. Sopha: That is good enough for me.

Hon. Mr. Wishart: I am happy for you.

Mr. Sopha: That is good enough for me. The Attorney General having said that, I am sure that it will have a suitably prophylactic effect on the commissioner of the Ontario Provincial Police—if he is present—and on the activities of that organization in the ensuing year.

Mr. Chairman: The member for Humber.

Mr. Ben: May I ask the Attorney General some questions on this particular vote? In going through the expenditure of the public accounts of the province for the last fiscal year, under the Ontario Provincial Police, I can find no item comparable to item four of vote 211; that is movement of personnel, $300,000. The public accounts set out the travelling expenses for each district, and I am curious as to what these travelling expenses involve. Would that be going to court, Mr. Chairman? That is one question.

The main one, however, is this movement of personnel, $300,000. As I say, I can find no comparable item last fiscal year under this particular item. I note that there is a charge for data processing and I wonder if that has anything to do with a computer, because for a number of years, our party has been advocating a central computer system which would be centrally located and would handle all the items that have to be handled by the province, including the registration of chattel mortgages, sale agreements, automobile liens and the like. Would the Minister answer those questions, please?

Hon. Mr. Wishart: I do not know if I followed all the points that the hon. member made, and I apologize if I did not because I was attempting to seek in the records an answer to his first question. I find that movement of personnel is shown in the estimates as an item of $300,000 for 1967-68, and did not appear in previous estimates because it was broken down in this year's estimates to segregate it, and show the separate department travelling expenses. The travelling is kept to a minimum. What is really significant is that when members of the forces are moved from station to station and place to place there is a necessary expense and estimate for the moving of personnel.

Mr. Ben: If I may, Mr. Chairman, the Minister may be mistaken because it would seem strange that the travelling expenses would jump by almost 50 per cent. I point out last year that $738,598.09 was expended, and under this vote you are asking $735,000 for travelling expenses, a mere three thousand less, so you can hardly claim that the $300,000 is replacing the $3,000 which you are deleting from the item for travelling expenses.

Hon. Mr. Wishart: If I may have a moment, perhaps I could find the reason for this.

Mr. Ben: While the Minister's assistants are trying to find that answer, may I ask out of curiosity, going through these estimates I find out that the salaries paid to the officials always are in Eaton's or Simpson's figures; in other words, they do not always come to the even dollar. Here is one for a Mr. Silk, $23,999.94. May I ask why you docked the man six cents off his salary? Missed a day did he, or a minute late?

Hon. Mr. Wishart: I have now before me last year's estimates for travelling expenses for 1967-68 shown as $998,000 and this year the estimate is $735,000, a decrease of $263,000. The movement of personnel is shown separately this year, which it was not in last year's, as $300,000, which would make the estimate $1,035,000 instead of $998,000; an increase of $37,000 for those items.

Mr. Ben: Well, Mr. Chairman, may I be presumptuous enough to differ with the Attorney General? The 1967 public accounts on page B-19 showed total travelling expense of the Ontario Provincial Police as being $738,598.09. Might I enquire, where does he arrive at the $900,000 figure?

Hon. Mr. Wishart: The figure the hon. member is looking at is for two years ago.

Interjections by hon. members.

Hon. Mr. Wishart: Might I inform the hon. member, this is the latest publication there is. It is two years old.

Mr. Ben: Where do you get the $900,000 figure; it is not that in this latest book?

Hon. Mr. Wishart: This is two years old.

Mr. Ben: Oh, I see.

Mr. Chairman: The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Mr. Chairman, back in January I had occasion to write to the superintendent of the Ontario Provincial Police at Port Arthur over a situation that exists in the town of Macdiarmid; they have no police force of their own; there is one 12 miles north of them on Highway 11, at the town of Beardmore, which is also manned by the Ontario Provincial Police. Now, on two different occasions I received complaints from the people of Macdiarmid; one was in connection with a disturbance that occurred there. There are only three phones in this little hamlet of Macdiarmid; it is a fishing village, and as a result of this, they had to wait about four hours to get the Ontario Provincial Police from Nipigon to go 40 miles up this road, which was under construction, in order to investigate the disturbance. On another occasion, a man had a heart attack—

Mr. Chairman: Order please! Order!

Mr. Stokes: —on a highway, and they had to wait about three hours—

Mr. Chairman: There is much too much private discussion going on.

Mr. Stokes: —before they could contact the Ontario Provincial Police, before they could move him. So, I wondered why it was not possible to get the police from Beardmore down to investigate disturbances and accidents such as this, rather than having to dispatch the OPP officers from Nipigon.

I received a reply saying that they felt that it was quite adequate, and those were the arrangements, and they were not going to change it.

Now, I have had several complaints from the principal of the high school, and the Indian chief, and nobody seems to be able to move these people; they do not seem to want to change; they do not want to listen to any arguments you put forth as to reasons why it should be possible to dispatch somebody from 12 miles away rather than 40 or 45 miles away.

I was just wondering if, when you have Ontario Provincial Police policing a town, whether their responsibility ends there, or whether you can dispatch them to investigate accidents or deaths, say, within a reasonable distance of the town. And I was wondering what your policy is with regard to policing towns which have no police force themselves, and where you have to send Ontario Provincial Police long distances.

It would seem to me that it would make a lot more sense if you ordered somebody from 12 miles away rather than 40 miles away, but I have not been able to make any headway with the OPP in the Lakehead. I was wondering why this policy exists with the Ontario Provincial Police?

Hon. Mr. Wishart: I think I should like to answer this, Mr. Chairman. In northern Ontario, generally, the Ontario Provincial Police may police certain towns, certain municipalities, usually towns, but they police the area. It is an area situation because a great deal of it is unorganized. I do not know the particular situation except as it is related here, and I accept it as related.

It would seem strange that the call had to go to a detachment or personnel 40 miles away if there were personnel available within 12 miles, at Beardmore, as I understand it.

I do know that we have had difficulty in locating sufficient personnel at Beardmore to police that area adequately due to the lack of accommodation, and we have been trying to remedy that situation. It may be that the police were just not there and available because the hon. member knows it is a large territory; communication, as he has indicated, is poor, and it is not always that you can reach perhaps the closest detachment in that situation.

But I am glad he has brought it to the attention of the House. I would ask him if he would bring that particular situation to my attention so that I could look at it closely and just see what might be done to improve it.

Mr. Stokes: I would like to add just one thing further. In the town of Armstrong, where they have something like a population of 500, they have an OPP corporal, and six constables.

Hon. Mr. Wishart: That is a whole area.

Mr. Stokes: Yes, it is the whole area all right, but the people in the immediate area would not be many more than 400 or 500. Yet in the town of Beardmore along the main highway, they have I think it is three constables, and none of them will go 12 miles down to this adjoining hamlet to police that. We have to get somebody from 40 miles away to come in and do it. So, the two things seem to be at odds with one another.

Mr. C. G. Pilkey (Oshawa): Mr. Chairman, I would like, first of all, to relate a couple of cases, and then I want to ask the Minister what the people in this province can do in relation to some of the arrests. I do not want this to reflect on the Ontario Provincial Police because I do think that basically they do a pretty good job in our province. But, obviously, they are human and there are times that they make some mistakes.

There was a situation where a group were driving together on the 401; there was more than one car; and I want to illustrate this to make my point. As there was a great number of cars, the group got all broken up and at one point one of the cars was speeding and went past this fellow and he made a comment to his wife; he said that this fellow could be arrested or could be stopped for speeding.

And lo and behold, about three or four miles up the road the fast driver was pulled off to the side by the provincials. They had caught him. So the second man pulled over on the shoulder to wait for his friend. Lo and behold, the officer goes back and says, "Let us see your licence."

He says: "What for?"

"Well," he said, "you were speeding."

He said: "No, I just pulled in here to wait for my friend."

He said: "Oh, no, give us your licence."

So he gave him the licence and subsequently he had to appear in court somewhere in Kitchener and was fined for speeding. In addition to that, he lost a day's work in the plant. I do not recall exactly what the total cost was, but this is the position he found himself in.

Then, another case. I just want to relate the two. In this other case the Ontario Provincial Police was pulled off to the side of the road as they are on occasions on the 401. The policeman then drove along 401 and the chap was driving behind him. They went about a half a mile and the police pulled him over. The man said: "What for? I was not speeding."

The policeman said: "No, but you were travelling too close to me."

Travelling too close! He had just pulled off in front of him.

Frankly, there is an injustice. I do not think they should be running to their MPP's with these problems for us to raise them with the Attorney General in the hope he will do something about it. But it appears to me that there should be a place where the citizens of this province can make a direct appeal against those cases, so that they do not find themselves, as this one chap did, in the court.

The other fellow, by the way, pleaded guilty and paid the fine, because he figured out that whereas the fine was $17, if he went to court with it he probably was going to be convicted anyway. And in addition to that, he would have lost a greater part of a day's work. He figured it out economically that it was better to pay the fine and plead guilty.

All I am suggesting, Mr. Chairman, to the Attorney General, is that there should be some area where these people can appeal if they really feel that there is an injustice served on them. As I say, I think that probably a great majority or 90 percent of them are legitimate, but I want to say that the provincial police are not infallible either. They are not infallible, they are human beings, and they make the odd mistake, and when they do make this mistake, I think that the people of this province ought to have an area where they can make a direct appeal.

Mr. Chairman: The member for High Park.

Mr. Shulman: Mr. Chairman, just one brief question here. I would like to get some further details about TIRF. I wonder if the Minister could give me the address?

Hon. Mr. Wishart: I can get it for the hon. member. I have not got it in my material in front of me now. I will see he gets it right away.

Mr. Shulman: Thank you. At the beginning of this estimate, Mr. Chairman, which appears to have been a long long time ago, you may recall I asked you where private detective agencies should be discussed, and I was told to discuss it under this particular vote. So I want to bring a matter up here which I think is a very serious one. It involves the control of private agencies in this province.

It is very serious if a private agency is involved in a kidnapping in this province, and nothing is done about it. We know the facts were laid in front of the Attorney General. The matter involves two children, Valery and John Martin, who were kidnapped on May 15 of this year by persons employed by the Argus Detective Agency of Windsor, Ontario. The background of this story is that this is a terribly tragic situation in which the two children had parents who had split. The father had legal custody of the children here in Canada; the mother brought an action in

California which the father did not contest because of expense.

Hon. Mr. Wishart: Mr. Chairman, I wonder if the hon. member would permit me to say that I am aware of all the facts of this matter; they were brought to my attention some time ago. The matter is being investigated by my people and by the Ontario Provincial Police. That investigation is going on. It is not yet complete.

Mr. Shulman: I asked the hon. Minister about this matter some weeks ago. At that time he said it was under investigation. I have the facts all here and, since this investigation has not yet been completed, I will be pleased to present the facts to him. The situation was very simple—

Hon. Mr. Wishart: I should, perhaps, add that while the provincial police have completed their portion of the investigation, the matter has been referred to the director of public prosecutions in my department, so at this point that is all I could say. But I am fully aware of all the facts.

Mr. Shulman: Well, perhaps the rest of the House would be interested.

Interjections by hon. members.

Mr. Shulman: For the benefit of the member for London South (Mr. White), if no one else, Mr. Chairman, I think I should relate the facts, because these matters have been before the Minister for really quite a length of time.

It is a very very serious matter, and nothing has been done about it. It is time something was done about it, Mr. Chairman—

Hon. A. F. Lawrence (Minister of Mines): Take him in the back—

Mr. Shulman: Mr. Chairman, in California the mother of these children made an application to the courts to have custody of the children—

Mr. J. H. White (London South): Excuse me, Mr. Chairman, I know these facts.

Mr. Shulman: It dismays me that the member for London South does not wish to be educated. However—

Mr. L. M. Reilly (Eglinton): Have they anything to do with the estimates?

Mr. Shulman: Quite a bit to do with the estimates.

Mr. Reilly: If they have I would like to know where.

Mr. Shulman: Well, for the benefit of the Conservative whip—the member for Eglinton —I will explain this has to do with the control of detective agencies in this province, which were to be brought up under this vote, and in which the Attorney General is responsible. When a detective agency in this province partakes in a kidnapping, this is matter which is of interest in the estimates.

Mr. Chairman, as I was saying, the mother of this child applied in California for custody in the courts. The father could not afford to go down; he is a man of very modest means. He did not attempt to defend the case, having already won, in American courts, custody of the children. He remained here in Canada, obeying the law; he is a teacher at Oakville. On May 15 of this year the children were grabbed off the street from the grandmother. There was a scuffle, and they were dragged into a car, driven across the border, and taken down to California.

Some hours after the abduction had taken place, one Duncan Stewart, aged 35, employed by the Argus Detective Agency, of Windsor, Ontario, and driving an auto registered to that agency, came to the local police station at 8 p.m. Actually, he showed them a badge from the Argus Detective Agency, and informed the police that he had been the driver of the car that was involved in the abduction. He presented certain papers from California which, he said, gave him authority to carry out this action—and which, may I say, was completely illegal. Those papers had no legal status here in this province, whatsoever.

May I say that The Criminal Code states that if someone does something lawful by unlawful means, he is guilty of a crime. It also says that when a crime is taking place, anyone who conspires with the person committing the crime is guilty of a crime.

Mr. Sopha: We do not give any opinions on medicine.

Mr. Shulman: That is very fortunate. These codes are clear, and there seems to be tacit approval by the Crown not to enforce the codes, as long as a member of the family is involved.

I know very well that the Attorney General has referred this matter to his director of public prosecutions. If I may anticipate—but I am not anticipating any member, I am anticipating what the director of public

prosecutions will do—a charge will be laid of simple assault. There will be a court hearing and the person, or persons, involved will have their wrists slapped and nothing further will be done.

Now let me say what should be done in this case. The children—I do not know how to get them back—but what should be done in this case is make sure that this does not happen in Ontario again. You are only going to do that if you take away the licence of that detective agency, because if they know they can get away with this in the future, they, or some other detective agency, for a sum of money, will become involved in similar cases in the futre.

Let me strongly represent to the Attorney General that this is not a matter of laying a charge of assault. This was a kidnapping, nothing more, nothing less, and that detective agency should lose its licence.

I have another matter, unless the Attorney General wishes to make some comments on this.

Hon. Mr. Wishart: Well, I would comment quickly on this. The hon. member is determined to relate all the facts, which were well known, of course, to many members of the House, and certainly to my department and to myself. I am not sure he has stated them correctly. As I had stated early in his remarks, they are being investigated; the matter is before the director of public prosecutions in my department.

The hon. member now has entered the area of prophecy. He prophesies what is going to happen. Some things he does not know, apparently. The question of intent enters into a prosecution of this kind, an act of this kind—whether there is knowledge. Now he speaks of the order from California having no legal effect in Ontario. That may be so. The question that arises when you prosecute a person acting upon it is whether he has knowledge of the effect of that order.

These are things we have to take into account and weigh in the action which has to be taken. In any event, the short answer is, it is before the director of public prosecutions and will be acted upon as soon as our study is complete, which I trust will be soon.

Mr. Shulman: Mr. Chairman, may I suggest to the Attorney General through you, sir, that if a detective agency is not aware of the laws of this province, it should not be in that business?

Mr. Chairman, there is another matter I would like to bring up. I would like to presage my comments by saying that I agree with the member for Downsview that the Ontario Provincial Police, by and large, do a good job. I had the pleasure of being associated with Mr. Silk in my previous occupation and I found him always to be unfailingly polite, effective, and very pleasant to work with.

You have heard the member for Oshawa relate two cases of people who were charged, perhaps, unfairly. I would like to show the other side of the measure. You have had a number of occasions this session where various members have suggested that, perhaps, there are two sets of justice in this province, one for the rich and powerful and one for the not so rich and powerful.

We heard about Viola MacMillan, Mr. Farris, Mr. Wookey and Mr. Grafstrom; they got away with various matters which, for some reason, did not require prosecution.

Mr. Sopha: Is this relevant, I am asking you? Is it in order?

Mr. Chairman: It appears to the Chairman that the matter is relevant.

Mr. Shulman: The matter which I wish to discuss today has to do with the Ontario Provincial Police and a certain Mr. Archie McCol, age 65, of Inglewood.

This gentleman, who I understand was the designer for most of the bridges on Highway 401, was in a car accident some weeks ago. As a result of the accident his car struck another car, killing a person—I am sorry, some months ago. It was last September, in Mississauga. A .38 calibre pistol was found in the wreckage of his car and a warrant for his arrest on a criminal negligence charge was sworn out at the time. He was admitted to a Toronto hospital with the understanding that, when he was ready for discharge, the Toronto hospital would notify the provincial police and they would come out and arrest him. And they did that, the hospital notified the police when he was ready to be arrested. The two police officers arrived at the hospital to pick him up and he said, "Well I do not really want to be arrested."

There was a conversation which took place at that time which I would like to ask the Attorney General about. The provincial police then left the hospital, and the hospital presumably for a good reason decided to readmit

him for the day. Subsequently, Mr. McCol was transferred, I believe, to Riverdale—in any case a convalescent hospital here in the city—

Mr. N. Whitney (Prince Edward-Lennox): Is that when the workmen's compensation hospital burned down, about that time?

Mr. Shulman: We will get to that. He signed himself out of the hospital in the company of his private pilot and has not been seen since. So, I would like to ask the hon. Attorney General, since the provincial police appear very efficient in laying charges in cases such as the member for Oshawa brought up, what particularly happened in this case; how did Mr. McCol talk the provincial police out of arresting him; does the Attorney General have any idea where Mr. McCol is at the present time; and is there a warrant out for his arrest?

Hon. Mr. Wishart: No. Mr. Chairman, I do not know the case at all, at least the name does not mean anything to me. If the hon. member cares to bring me these facts, I will be glad to look into it and give him a report on it.

Mr. Shulman: I have just related the facts. I am sure the Attorney General will give me a report.

Mr. Chairman: The member for Sudbury east.

Mr. E. W. Martel (Sudbury East): Mr. Chairman, in the north we have what could be described as something left over from the 19th century. We have company towns, and on Friday I was glad to hear the Attorney General advise the House that fatalities in the INCO holdings would now be investigated by the Ontario Provincial Police.

I would like to pursue this just a bit further and ask the Attorney General if he could ensure that the security guards at the international holdings were security guards, and the town police were town police, and not one and the same.

I do not think it is fair either to the security guards or to the men working in the plants to, on one occasion, be stopped for possibly speeding—it is right that they should be stopped for speeding—but stopped by a policeman and then find the next day he is supervising traffic at the plant.

I would urge the Attorney General to do one of two things. Either see to it that the municipalities are policed by provincial police, or that the security guards remain security guards constantly and Coppercliff have its same police continuously as the service police. There should be a distinction for the sake of the men and the sake of the employees involved.

Mr. Chairman: Vote 211 agreed to.

This concludes the estimates of The Department of the Attorney General.

ESTIMATES, DEPARTMENT OF FINANCIAL AND COMMERCIAL AFFAIRS

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Chairman, I welcome this opportunity of addressing myself to the members of the House with respect to the estimates of The Department of Financial and Commercial Affairs.

Mr. Chairman, I wish at the outset of my remarks to note that special care has been taken to compile statistics and facts for these estimates up to December 31, 1967. I am sure that you will realize that this is really more by way of statistical data than is required.

At the time of last year's estimates, however, the department was only a few months old. Even at this time, our history dates back only 19 months, and it is with this thought in mind that we have striven to have our registrars and branch heads provide the most up-to-date information possible in a practical sense. Those of you who have had an opportunity to familiarize yourselves with our first annual report will have noted that the information contained therein covers departmental activity up to and including the previously-mentioned date of December 31, 1967.

A quick examination of our estimates will reveal that we are seeking approval of a proposed increase in expenditures of $645,000, or 25.2 per cent more revenue than was the case previously. Specifically, we are seeking approval of an amount totalling $3,208,000 for fiscal 1968-69, compared with $2,563,000 for fiscal 1967-68.

We have experienced a growth and new depth of activity in all areas, but most significantly in our main office function and the operation and scope of the consumer protection division. Collectively, the department has grown in manpower from 242 on April 1, 1967, to a total of 300 today.

Perhaps the most exciting evidence of growth can be found in our consumer protection division, which has expanded more than any other single segment of the department in the past year. The appropriation sought

from this House will make consumer protection a million-dollar business in Ontario—in fact, a $1.2 million business.

The projected increase represents a rise of $334,000 over last year's budget of $866,000, or 38.5 per cent. It will make possible the maintenance of a staff of skilled personnel which has grown from 98 a year ago to 128 today, and includes in its ranks lawyers, examiners, inspectors, registrars, clerical and secretarial people.

A second area where a marked increase has been noted is in the main office of the department. These estimates propose the approval of funds totalling $650,000– a figure $150,000 or 30.3 per cent greater than a year ago. The need for these moneys reflects in part the growth and consolidation of staff which has been assembled to provide ready expertise on many complex areas with which the department finds itself involved.

This complement includes a solicitor attached to the main office and an information branch of four, in addition to a departmental financial research group made up of a financial research assistant and an economist.

An additional $94,000 over last year's budget of $795,000 is being sought in these estimates for the Ontario securities commission. This represents a rise of 11.8 per cent.

There have been some additions in staff and some well-earned adjustments upward in salary, but the main emphasis has not been on increasing personnel. Hon. members may well recall that the commission had achieved substantial growth in staff at the time of the 1967-68 estimates.

I am informed that the Ontario securities commission is currently in the process of consolidating its services through making maximum use of the many proficient persons now on staff. Because of the requirements in The Securities Act, 1966—with respect to insider trading, takeover bids and financial statements, for example—the services provided by the commission are being used to a growing extent.

The volume of printing required, particularly as related to the OSC monthly bulletin, has expanded to a considerable degree and is reflected in the need for more funds.

Mr. Chairman, before proceeding further with my estimates, I would like to clarify a situation which has arisen as a result of statements made by me in the House and subsequently commented on in the press.

On June 14, 1968, in response to a question before the orders of the day regarding circumstances which preceded the acquisition by Rothmans of Pall Mall Canada Limited of an 11 per cent interest in Canadian Breweries Limited from Argus Corporation Limited, I referred to the published remarks of Mr. E. P. Taylor and Mr. Bruce Mathews. These remarks, on behalf of Argus Corporation, were made at a time when the *Wall Street Journal* had published a report concerning alleged negotiations between Argus and Transcontinental Investing Corporation, of New York. Transcontinental had refused to comment on the negotiations.

Mr. Mathews, while neither confirming nor denying the fact of negotiations, was quoted as saying that the number of companies wanting to have conversations about acquiring various parts of the operations of Canadian Breweries was almost continuous.

At page 4475 of *Hansard* for June 14, I noted that Mr. Taylor might equally have been criticized for adding fuel to the fire of potential speculation, had he commented on any negotiations before a firm agreement had been reached.

I then went on to say:

—I know of no reason in the business world why a person is not permitted and privileged to make a categorical denial with respect to a business transaction that is being negotiated—

Subsequently, in the Toronto *Globe and Mail* of June 18, a report under the heading "Ethical Practice View Requires Explanation," the following comment was made by the writer, Mr. Fraser Robertson, and I quote:

> But the public will be even more concerned about Mr. Rowntree's statement, which seems to say it is quite proper for any company to lie about important negotiations.

Apparently, in the minds of some observers, my statement has created a false impression. This was the opposite of my actual intention, and I wish to make my position clear beyond all question.

First, I think a man—or, for that matter, a company—is entitled to negotiate for the purchase or sale of property, including shares, outside of the glare of publicity. However—and it is in this regard that my statement appears to have given rise to confusion—it is my view that a man, when questioned, is entitled to say nothing or offer no comment about his private affairs, just as Transcontinental did.

This I believe to be basic, because he offers comment, and the negotiations do not prove fruitful, the comment can only lead to

speculation and injury to parties who acted upon it.

It is similarly fundamental, however, that if he elects to say anything, he must tell the truth and the whole truth. Anything less than that criterion is just not acceptable.

In the *Globe and Mail* of July 5, Mr. Robertson repeated the inference that I said that it was quite proper for any company to lie about important negotiations. In an article which dealt with insider trading he said, and I quote:

> It will be no comfort to the public if insiders keep their hands legally clean while brazenly lying to the public about activities that may seriously affect the fortunes of outsiders, a practice recently upheld by Leslie Rowntree, Ontario's Minister of Financial and Commercial Affairs.

Mr. Chairman, it had been my intention to clarify this matter during my estimates. Unfortunately, my estimates did not come before the House as soon as I expected, with the result that the second column was written before I was able to make my position clear.

My interpretation of the July 5 column is that Mr. Robertson is suggesting that mere control of insider trading will not satisfy the public that its interests are being protected. In that regard, the Ontario securities commission is conducting basic research at this moment, and has been for some weeks, to try and determine whether there is any correlation between reported insider trading, news releases dealing with insider trading, and subsequent market action.

In conclusion, Mr. Chairman, I wish to point out that, time and again on the public platform, I have insisted that all business transactions in Ontario must be on the table, and that there must at all times be "full, true and plain disclosure." More than any other single principle, it is in fact this undertaking which is the basis for our existence as a department functioning to protect the public interest. I at no time intended to infer any deviation from this general principle.

Mr. Chairman, the last item I would like to make reference to has to do with some matters dealing with government insurance, with respect to our assets. I, as of today, will be in a position to table that question and also to expand upon it and that information will be made available to the members tomorrow. After our estimates are concluded there will be an opportunity for a debate and discussion, with respect to government insurance, as I undertook several weeks ago.

A commission team has just completed new regulations dealing with finance companies, trust indentures and trustees under The Securities Act. The regulations were ready by July 1 in keeping with a proposal that I announced in the House on February 23 of this year.

The commission, in addition to its growing regulatory responsibilities, is continung to cooperate wth a number of committee studies and proposals which we anticipate can have important implications in Ontario and Canada.

Principal among these matters are the CANSEC proposal and the mutual funds study, which require a co-operative national effort and, in Ontario, the committee to review the commission's underwriting, vendor consideration, escrow or pooling policies and other matters related to financing mining exploration and development companies.

Work to advance the CANSEC proposal has unfortunately been interrupted in recent months as a result of events in Ottawa. It is our hope in Ontario, however, that the cooperative effort required to advance the idea that a national securities commission can be a good thing for Canada will resume at an early date.

I think that anything any of us can do to strengthen our province and our country through enabling people to have greater confidence in our financial institutions must be done. I see CANSEC as one vehicle which could contribute greatly towards this goal.

Ontario is, through the Ontario securities commission, continuing to co-operate and work closely with the Canadian committee on mutual funds and investment contracts.

The purpose of the study is to obtain complete information concerning open-end funds —including funds sponsored by trust companies—and investment contracts, and thereby to determine whether legislation in addition to that which already exists is required for the protection of the public interest.

Ontario is sharing the cost of this study together with the nine other provinces. The total cost is being shared on a 50/50 basis between the federal government and the provinces.

An appropriation of $200,000 is set aside under the main office vote to support the studies mentioned together with actuarial studies being made into the matter of automobile insurance; a public information material study; a research grant constitutional

study, and a research commodity market study.

In keeping with the other major branches of the department, an effort has been made over the past year to better equip the office of the superintendent of insurance and registrar of loan and trust corporations to provide more comprehensive service for the public.

Personnel in the branch has been increased to 47 and budgetary requirements are up 16.4 per cent, or a total of $66,000 over last year's figure of $403,000.

There has been some strengthening of inspection services and greater supervision provided over matters relating to the examination of policy contracts.

There is provision in the estimates for an additional counsel to be employed to be part of a team which will study the various existing Acts under the branch, and assist with finding ways to cope with new problems.

Mr. Gordon E. Grundy, FCA, assumed his new duties as superintendent of insurance and registrar of loan and trust corporations on May 1.

Mr. Cecil Richards, FCA, the former superintendent, is working on the research required preparatory to a planned re-drafting of The Loan and Trust Corporations Act. Mr. Richards, in addition, acts in an advisory capacity and is providing liaison with the other provinces in respect of a proposed general updating of loan and trust legislation.

I am pleased, Mr. Chairman, to be able to report that credit counselling service offices have been established in Brantford and London through The Department of Financial and Commercial Affairs in co-operation with local people.

We have agreed, in writing, to provide offices in each of these cities with 40 per cent of their operating budget up to a maximum of $5,000 a year. This will enable them to provide debt counselling in cases where consumers have over-extended themselves.

The establishment of these two offices is in keeping with the intent of section 1, subsection 2(b) of an Act to establish and provide for the duties of a consumer protection bureau, which states that the consumer protection bureau shall "promote and assist existing counselling services in respect of consumer credit."

Extensive studies are underway into two aspects of the services provided by the registration and examination branch of the department.

The advisory services division of Treasury board is assisting department officials in a study of the registration and office procedures and functions with a view to consolidating the four main registration facilities into one central group.

The legislation involved includes The Collection Agencies Act, The Real Estate and Business Brokers Act, The Mortgage Brokers Registration Act, and The Used Car Dealers Act.

A team of lawyers, under the direction of the department solicitor, is screening the four Acts to ensure that similar regulatory functions are treated in a like manner. They will proceed, taking into consideration the principles raised in the McRuer Royal commission inquiry into civil rights.

A vital and growing part of our consumer protection programme has to do with the efforts being made to better inform the average Ontario citizen of his rights under the law.

We have attempted to bring this message home through various means, all of which have met with good response from the public.

Early this year the department began a series of consumer protection conferences with a two-day seminar-type programme at the Lakehead. This was followed by similar conferences in Woodstock, North Bay and, recently, at Kingston.

Each conference serves a dual purpose. They, on the one hand, provide the opportunity for a segment of the buying public to get first-hand exposure to the consumer protection legislation available in our province and the people who administer it. At the same time, opportunity is provided for department officials to discuss, in a workshop atmosphere, the problems and pitfalls which face the average consumer.

It is our intention to resume the programme in the fall and to extend it in the spirit that I have outlined.

An attempt has been made at these conferences to bring together a cross-section of interested people, and from this exposure at the local level to establish a continuing flow of information and service.

In addition to community leaders, representatives from labour, the retail industry, women's groups and consumers at large are invited.

Explanations are given by senior depart-

mental personnel on their special fields of interest, and are balanced off against workshops, panel discussions and forums. Broad audience participation is encouraged.

In order that some of the effect of the programme can be extended to those who may not be able to attend a particular conference, an effort is made to establish the type of liaison with a community that will lead to appropriate registrars and other experts being invited at a later date to speak to specific groups. Our experience has shown that there is a growing tendency for organizations to take advantage of this offer on the part of the department to furnish speakers.

An integral part of the seminar programme has to do with the dissemination of pamphlets which have been designed and written in a manner that have made them both attractive and informative to the individual .

When the pamphlet programme was inaugurated less than ten months ago, we quite frankly had no real idea of how great the demand would be.

Our aim was to provide information on consumer related matters in the hope that the general public would be interested enough to read and request the material.

I am happy to be able to tell the House that public response to these publications has been far beyond our most ambitious expectations. Upwards of one million pamphlets have been distributed both on our own initiative and on request from organizations and individuals.

We intend to extend this programme and produce new pamphlets to deal with particular areas to supplement those already available.

Another area where a planned effort has been made to inform the individual of his consumer rights has come through our participation in fall fairs, the Canadian national exhibition and the national home show.

We have been encouraged by the response at these events and intend to continue and enlarge on this facet of our consumer education programme.

Now, Mr. Chairman, there was some interest shown in the House with respect to the recent four-day interprovincial conference on consumer protection, sponsored by the government of Ontario through my department.

It is relevant to deal briefly with the conference, since many of the areas discussed involved matters which are of concern to many members.

Frequently I have taken the position that many facets of the complex area of consumer protection lend themselves to a broad, cooperative approach as opposed to some sort of singular action by a given province or jurisdiction.

This conference confirmed my belief, and I might add that the desirability of a joint approach in some key areas was acknowledged by representatives of every province and representatives from the federal government. The result was a decision to form working committees to provide research and study into areas of concern.

It was accepted that there were no easy solutions to many of the problems, but that through sorting out and defining the areas of practical jurisdiction we could work toward avoidance of unnecessary duplication, with the overall determination being to achieve desired goals on behalf of the consumer.

Every province and the federal government will take part in what we expect will be highly selective and expert committee studies where small, well-qualified groups will work on specific problems in a manner which has not been done before.

The areas slated to come under study include direct sales and "cooling-off" periods; standard form of consumer credit contract; warranties, disclaimer clauses, cut-off clauses, assignments, and holders in due course; prepayment privileges, default and forfeiture provisions, repossession rights, relief against acceleration and forfeiture; advertising and federal-provincial liaison in jurisdictional matters.

We anticipate that a number of reports will be ready by September 30 of this year so that they may provide the basis for the next interprovincial conference on consumer protection.

I would like to deal briefly with two Acts which have been deemed to have a consumer orientation, and thereby should be of interest to the House in the context of these estimates.

The first, The Cemeteries Act, 1960, is now being administered under the consumer protection division of The Department of Financial and Commercial Affairs. The transfer was approved by order-in-council. The transfer brought an additional 12 persons under the consumer protection division.

The Act, which was extensively amended in 1955 following a report of a select committee of the legislature, had previously been administered under The Department of Health successively by the sanitary engineering division, the environmental sanitation branch, and the public health engineering section of the environmetal health branch.

It is in the providing of supervision over the handling of funds held in trust under The Cemeteries Act that the consumer protection division will function with respect to this transfer of authority. The divison will also approve plans, rates and rules and deed forms dealing with the actual operation of a cemetery.

Two types of funds are involved. One, the pre-need assurance fund, involves moneys set aside in trust by the owner of a cemetery out of the amount received on the sale of cemetery supplies and services.

The other has to do with perpetual care funds which are received by the owner of a cemetery in trust for the purpose of providing perpetual care of a cemetery.

The second piece of legislation, which is in the process of being transferred to the consumer protection division, is An Act to control the content and identification of stuffing in upholstered and stuffed articles upon their manufacture, sale and renovation.

As I have explained previously to the House, the purpose of this legislation is to safeguard the health of the public and to protect the consumer by ensuring that the content of upholstered and stuffed articles is as represented by the manufacturer.

We anticipate that the transfer of this legislation will be effected in the near future. It will add eight persons to the consumer protection division staff and bring to a total of 19 the number of Acts under the jurisdiction of my department .

Hon. members will recall that on April 30 of this year I announced that executive council approval had been given to the appointment of Mr. Budd H. Rieger as chairman of the Ontario deposit insurance corporation.

It has occurred to me that some members might question why ODIC is being maintained, though the cost of doing so is minimal, when in fact the relevant legislation was amended last year to direct Ontario firms into the federal deposit insurance scheme.

It had been our intention from the outset to dissolve the Ontario corporation provided that we were satisfied that the federal plan met the requirements needed to protect Ontario depositors.

We are, of course, satisfied with the insurance provisions of the federal Act, but we are maintaining the Ontario deposit insurance corporation at this time because of the rehabilitation provisions in the Ontario Act which have not yet been incorporated into the federal Act. These provisions empower ODIC, through right of entry, to co-operate with a firm in difficulty with a view to helping it achieve managerial and fiscal stability in the public interest.

One other very low-cost item that I would like to mention is the financial and commercial affairs advisory committee. This committee is made up of very expert persons in the financial, legal and commercial segments of our society. They serve voluntarily, giving advice and acting on a consultative basis to the Minister.

I wish to state at this time Mr. Chairman, that the persons involved on the committee have given unstintingly of their time and effort and have performed an invaluable service on behalf of the people of Ontario.

Mr. D. M. Deacon (York Centre): Mr. Chairman, it is indeed gratifying to me, as a person who has been associated for some years with the financial community, to have an opportunity to comment on the financial affairs side of this department. I might say also that, over the last several years, I have been impressed, as have others in the community, by the progress which this government has made in endeavouring to achieve what I think are the three major objectives of the investment and business community.

I would say these three objectives are, first of all, to establish the confidence of our business community, the confidence of the public in our business community and not to try and substitute, here in Queen's Park, the judgment of politicians and civil servants for those experienced managers, directors and professionals as the Minister has mentioned in his speeches.

The principle we are trying to get across is the importance of full, true and plain disclosure, so that the people can judge fairly and objectively what is good and what is not good. It is not the function of the legislators in the free enterprise system to make things so difficult that operations are inhibited and they cannot function properly. The laws we legislate must be workable and reasonable.

We must create an atmosphere of confidence in the Canadian economy that attracts, not only our own investors, but those abroad to invest as free individuals in this province. Unfortunately, we have an element in this industry, as in most industries, that is irresponsible and necessitates a constant vigilance on our part in the way of new laws and constant vigilance in the way of supervision and enforcement of these laws.

I would like to say that I read, with some interest, the report of The Department of Financial and Commercial Affairs which was published a few weeks ago for the period ending December 31, 1967. It showed that there had been quite a bit of work done in establishing a good department operation. But as I got into this report, I was dismayed by the lack of information that shareholders of companies would normally hope to find in annual reports whereby they might judge the merits of the operation of their company.

Now, our role as legislators is perhaps somewhat more than those of shareholders of companies, because I think that we have a responsibility to know the background and operation of the departments for which we answer to our constituencies, and we should have information whereby we can judge how well and how efficiently the taxpayer's money is being used in the operation of these departments.

I would say that if any department of this government should be showing the way, it should be this Department of Financial and Commercial Affairs. It has spent literally months devising the forms whereby the normal corporations of this province must report and disclose their affairs, and it should be prepared to give equally good and complete disclosure of its operation, not just to the public, but particularly to ourselves as legislators.

I have been very much frustrated in this regard of trying to get background information, and it is no wonder that during this past session, with the lack of information, cost benefit analysis and proper basis on which one can judge the efficiency of the way our money is being used, that so much time is being taken by this House in going over these estimates.

As I go through the report of say, the British American Oil Company, I can see what it has been doing in each of its fields, how the company's progress has been made.

The Minister has done that to a degree in his department report, but we do not get anything of the financials, of the cost of operating various parts of the operation. I think this is very important. I think we should know just how much various branches are costing, and what personnel they have in them.

The accomplishments are listed to a degree here, but I think it is very important Mr. Chairman, that the Minister show us in this report not just a lot of platitudes, but something whereby we can judge how well he has been operating.

If we went to a shareholders' meeting of a company and we just had this report presented, we would be in for very justifiable criticism and very lengthy criticism. I think it is time that this department led the way in establishing new standards of public accounting and reporting on government operations, and it is an opportunity that I hope the Minister will take advantage of another year.

I have heard plenty of criticism and suggestions about the federal government's lack of efficiency, but here we do have comparative figures, for example, coming out from the Minister of Finance dated June 14 for the period ended April, 1968, and showing the comparable period of the year before.

Because we do not have comparable periods here, we have the hon. member for Humber who misquoted, inadvertently, but with plenty of reason, because the figures are not there in the department estimates, the budget estimates. That is not your department, I agree, but we do not have comparable figures here, and yet this is one of the basic things that we are insisting private business supply.

Mr. Ben: On a point of order, I quoted the right figures, I did not have the other figures. I did not misquote them, please correct that.

Mr. Deacon: All right.

Hon. Mr. Rowntree: You fellows had better get together over there.

Mr. Singer: Oh, we are together.

Mr. Ben: I did not misquote any figures, I just gave the latest that were available to the Legislature.

Mr. Deacon: Shortly after the Minister published a report for the period ended December 31, we received a report from Canada Packers for the period ended March 31. It did not take them four and a half months to make their report, and a very complete report it is. It is because they start preparing their report not at the end of the year, but they start during the year and are ready to proceed and they can then give us promptly as shareholders, or as the public, a good idea of what that company is doing, what the industry is doing, and what the

outlook might be. We can see the past, the present and the future.

I suggest that this department should act on the premise of not saying, "Do as I say but not as I do," but "Follow the example of this department." I hope another year we will see a much more impressive and useful document for the annual report upon which we can make our judgment of the estimates.

I notice in this annual report it has reference in the Minister's statement to its financial affairs advisory committee. I suggest that on that committee, which includes some of the foremost business people of this community and this province, that they would be able to provide the Minister with many useful ideas as to how to improve his report in another year so we can all laud his work and not criticize it in this regard at least.

I read with some interest the operation of the Ontario securities commission and the study of their Price-Waterhouse report, 1966, the basis of establishing the commission in its new form and setting it up. I was particularly interested in this because I brought up some questions about Prudential Finance the other day in the House. I did not bring up this matter of Prudential Finance just to raise a lot of old sores. It is not old hat. The question of the Prudential Finance Corporation is a very important one for us in this House to study in detail. There are many questions we have to examine closely, and when I read through the documents and read them through carefully and studied them, with many of those who have been concerned with this, I find that we have failed in many areas, and I am not sure that we have covered up these areas so that we can prevent a recurrence of such a catastrophe.

We have seen, in the case of Prudential Finance, a determined promoter being able to take away—and literally, in many ways, steal—from innocent investors millions of dollars. We can say quite rightly that they had a prospectus in which they could judge the merits of the investment. In looking through that prospectus I agree that this, in the eyes of any experienced investor, would be shunned as a very, very risky and virtually bankrupt company and one that we would never recommend to anyone. After studying it very briefly, we could say we would not recommend this.

But we look at what has happened in this case. In these questions I have asked the Minister, and I am going to be asking him, to provide answers, and I hope he can to the greatest extent when the estimates of the Ontario securities commission come forward.

I notice there are many gaps in the reports that were given on this, that were published in Mr. Howard's report, in the Osler, Hoskin opinion, and in the Clarkson report. And I think we should have the answers to these questions before we go any further.

I think we should know the answers to them, and we should be sure that we have gone as far as we can go—after a catastrophe like this, which has shaken the confidence of thousands of people who are investing in this province—and have done all we possibly can as legislators to correct it, and done all we possibly can as managers responsible for the operation of the Ontario securities commission, to be sure it is equipped to provide the type of disclosure and supervision that is necessary in situations of this sort.

I look at the Wee Gee Mines situation of last fall. It was seven weeks from the time that the questionnaires were received from the brokers dealing in Wee Gee Mines before the commission took action—seven weeks. It took one week—seven days—for the brokers to supply the information, but seven weeks for the commission to decide whether or not it should take action.

This is not good enough. In that period of time, the stock rose sharply, there was a lot of trading in it and a lot of people could be hurt. I think it is most important that we look into questions like this to see where we are slipping or not doing the job as well as we should be doing.

Now, it comes down to staff, the quality of the staff. The stakes in this industry are very high; great rewards for those who can get away with illegal procedures and in effect stealing from the public in a way that we cannot catch them very easily. So we have to be especially vigilant, especially capable, and we must be sure that we have experts in our Ontario securities commission who are capable of dealing with, and quickly ascertaining when there are difficulties and when there is a situation which needs to be looked into.

We have done a great deal to improve the situation. In the last several years the change has been gratifying, but we still see a major turnover in staff. We get good people in and after a while they leave. We had a very heavy turnover last year and why? Is it a matter of salaries? Is it a matter of atmosphere?

We want to make this as challenging and as meaningful a role as anybody could take

up because we know how important it is to the whole economy of this province. We want to have it where people can invest here, knowing that Ontario is vigilant, that it has laws that are sensible, and sees that these laws are enforced by knowledgable people; who are not so slow in dealing with our affairs and not using a staff that is not particularly experienced or adept; not only slow, but inefficient in dealing with matters that come before them.

I think our staff has been improving, in actual fact, in dealing with prospectuses these days. It takes somewhere between 10 days and two weeks to give the letter of deficiency on an underwriting. But you know if I go to the Manufacturers Life Insurance Company with a prospectus, it takes them 24 to 48 hours to tell me what is wrong with that issue, and they do it in considerable detail. You will find that it is not just that insurance company, but almost any institutional investor, that has people who can quickly get to the core of a prospectus, determine what they do not like about it, and give you the answers in a hurry.

There is no reason why the Ontario securities commission cannot operate much more quickly than it already does. Of course, as long as we have a problem with other provinces not operating in co-operation, we will have frustration and delays, and I am pleased to see that the Minister is endeavouring to get CANSEC in operation and the co-operation of other provinces working as soon as possible.

It will be a great achievement when one prospectus or one securities commission will clear, in effect, a prospectus for the whole country. I hope we can do it without the cumbersome procedures that they follow to the south of the line in securities exchange commission which not only is terribly expensive, but terribly slow. I am sure that the way the securities commission, or the chairman of the securities commission, is working is the right one, that of co-ordination and co-operation. Our goal is competence and that is what I hope we can establish.

One aspect of the securities commission that did dismay me greatly this year is that I think they have been moving arbitrarily and too hastily on the matter of mutual funds. During the year they brought in a schedule on mutual fund fees that was completely arbitrary. Instead of waiting for a period of time until the study of the mutual funds committee is available—and the Minister a year ago stated it would be available this January—the commission introduced a schedule which it thinks is all right.

Now, as a result, one of our most successful funds in the country ceased selling its fund even though it had one of the best records of any in the continent, because it said that even though it was the best performer, it could not get credit for it. This is defeating one of the major objectives the Minister has stated in the past of not inhibiting the operations of business. These people know what they are doing; there has not been a public outcry against the operations of this fund. It has been a very successful one, and unless there is real need and good reason for making an arbitrary change before the study of the Canadian mutual funds committee is available, then I think the commission should have kept its hands out of this matter.

The next area that I wanted to discuss was the matter of the superintendent of insurance and registrar of trust and loan companies. The objective and the purpose of the superintendent of insurance and registrar of trust and loan companies is to keep a guardian eye on the operations of this industry, so we can be sure that they are in a sound financial condition. We are not going to have a major catastrophe such as we had a few years ago in the Atlantic Acceptance–British Mortgage–York Trust debacle. But Mr. Bobkin, for example, one of those insured under the Wentworth Insurance Company, wonders just what sort of guardian eye we are keeping. Mr. Bobkin is one of those who complained to the department and who sought assistance from the department in connection with insurance of his car, which he had through the Wentworth Insurance Company. He is still paying for his claim out of his own pocket, because the insurance company went broke.

He wonders what sort of a guardian eye this department is maintaining, and I look at it and I would have to say they are looking at the annual reports every year. I know the Minister knows that the financial condition of a company can change very quickly in a year. As a matter of fact, in the brokerage business we know, very much to our regret, that overnight what appears to be a very strong surplus position can be changed through imprudent balance of investments. In many ways you can be caught off base. The stock exchange operates a system which I think is a rather good one. They have a monthly questionnaire that the firms have to fill out. They have not only a monthly questionnaire that their firms are subjected to, but at any time they are also liable to have the auditors walk in and check their position at the end of a month. If there is a serious discrepancy between the position they have reported and the position

that the auditors find, there is real trouble to pay. In this way, they are able to keep a good monthly check on the types of investments, what the obligations are, the liabilities as well as the resources of the companies in these fields.

This is what is important for us to do, Mr. Chairman. It is important for us to really supervise these accounts. An annual report does not mean a thing when a company can readily dress its statement quite well when it is going to have to be ready for an audit. The way is to have these companies ready at any time for inspection, that at all times we know they are in a proper position to meet their obligations, and so we do not have men like Mr. Bobkin saying, "What is this department doing in supervising and being a guardian eye on my insurance company?" We want to have people's confidence not only in our insurance companies, but in our trust and loan companies. If we had such a system, I am sure the cost of the deposit insurance would be much less, because the risk would be greatly reduced.

I would appreciate hearing the result of the great study by Mr. Mayerson, which the Minister described as being done last year. Perhaps he will tell us that later on during the estimates.

So I am hoping that in this whole question of insurance and trust and loan companies, the Minister will adopt the policy of not whether it is convenient and necessary for companies to be incorporated to operate, but to see that they are properly supervised, so that we know that their affairs are in good order.

My colleague, the member for Kitchener (Mr. Breithaupt), will comment later on the consumer affairs section, as well as my colleague from Waterloo North (Mr. Good), on another aspect of consumer affairs.

I would just like to summarize by saying that I hope the Minister will set an example in the future in his method of reporting. He has a great opportunity. He has a good advisory committee to assist him, and I think that the government can show new leadership in this field of how government can report effectively and simply and in understandable fashion to the taxpayers of the province.

I am hoping that we will see an improvement in the availability of experts in the Ontario securities commission. I was pleased to read of the recent appointment of Mr. Duggan, a very experienced man, and I think associate director of the securities commission.

I am hoping that we will see less confusion and overlap, which I forgot to bring up earlier, in the companies branch between the Provincial Secretary's reporting—the reporting that the Ontario securities commission requires from companies. It seems to me this is an overlap that we should be eliminating by perhaps putting the companies branch under the securities commission.

I remind you again that the stakes in this field are very high. We need expertise, we need vigilance. I am sure we will never be able to stop people who are determined to get around the law. But at least we can be on our toes, so we do not have people running away with situations like the Prudential one because we failed to be alert to the situation there. We did not see that in that case these prospectuses were issued to all those who bought the securities. We did not have any provision, nor do we yet have provision, whereby, when there is no underwriter looking after the buyers of securities, that there is extra precaution taken by the securities commission in looking after these people—people where companies are directly selling their securities to the public without an underwriter.

I am hoping that we will see a continued increase in investor confidence and an improvement of all the aspects of the operation of the financial affairs side of the department, as we lead the way, I hope, in this province, in creating confidence in and of our business community.

Mr. Shulman: Mr. Chairman, may I say how pleased I am to come to this particular estimate. On previous estimates another member of my party had the primary responsibility so I had to restrain my remarks unduly. But now I can speak freely, I am sure that you and I both will have a most pleasant evening.

This particular estimate involved a relatively small amount of money—less than one per cent of that of supposedly larger departments—but this in my opinion is the most important department because the $3 million that is involved here, particularly the portion of it that has to do with securities legislation, affects every other department in this government and, in fact, everything that we do in this province. If it is ill-managed or non-managed, the cost of everything that we buy goes up and the cost of everything that the government does goes up. For that reason,

the securities laws are of primary importance in our society, and they are not good ones, unfortunately.

There was a committee to look into this matter last year, and the chairman of that committee, with some pride, likes to call it after his name. Actually if I had chaired that I would have preferred to have it called by another member's name, because of the matters that are left out of the report. I will go into that in some detail when we come to that estimate; similarly the matter of health insurance—which has caused a great deal of comment—the securities regulations, the Toronto stock exchange, and lack of disclosure to shareholders. But this evening, because of the limited time available, I am going to confine my remarks to one very important item; the matter of automobile insurance in the province.

I have been doing considerable research in this matter since my election, and I began that research because during the election campaign I received some 20-odd complaints from people who felt that they had been treated badly by the automobile insurance companies. This interested me, and I put a personal ad in the three Toronto newspapers for one week in February, and asked people to write to me if they felt that they had been ill treated by insurance companies.

I received close to 300 replies to that very tiny ad. So tonight I would just like to deal with this one problem which has been neglected in this province. The people who replied to my ad in their letters, almost to the last person, gave the same message, and it is a very important one.

It is a message of abuse by insurance companies, of financial losses, great and small, of wasted time, wasted money and human suffering. The message invariably is of competing sorrows: the competing sorrows of two parties injured or killed, and only one side receiving any compensation.

The present system of compensating highway traffic accident victims is to assess fault —the victim not at fault succeeds and receives financial compensation, while the party liable at law for the accident fails, and may have to lay out a great deal of money for liability.

What is fault, or liability? It may be a momentary misjudgment as a stream of cars travelling at 60 mph pass each other by a few inches, two car lengths apart, heading north on a holiday week-end in July. Or it may be a misjudgment in the confusion of rush-hour traffic. Or it may be a car sliding helplessly out of control on an icy road.

In any event, the insurance companies, the institutions that advertise protection for their clients, rush to see if they can establish that their client was not liable. For insurance companies generally, entirely in this province, insure not their own client's safety, but his negligence. If they can establish that the other driver was negligent then they need not pay the claim.

Here is a sample letter which shows the problem which arises:

> Dear Dr. Shulman:
>
> I was involved in a car accident on December 2, 1967, and the insurance company has not settled with me, nor had anything to do with me.
>
> The other driver was driving, without lights, when he hit me, and he was also drunk. The police officer charged him and he was convicted of impaired driving and fined $150 or seven days.
>
> Since then I have mailed a registered letter containing a police record of the accident and two estimates to his insurance company, and haven't heard from them as yet.

This accident happened December 2, but the insurance company was not notified until January. On December 20, the driver was charged and was convicted of impaired driving, but on March 1, the insurance company still claimed to be looking for an independent witness "who can probably clear up this matter." For if they can somehow establish that their client was not responsible for the accident, if they can blame it on someone else, then they need not pay the claim.

And if there is any question as to liability, then the matter goes to court to be adjudicated one, two or three years after the event. This occurs despite the human suffering, despite the fact that a husband may have been killed or maimed so badly that he can no longer support his family. For it is not the injured father and husband's company that is liable for compensation, but an opposing insurance company, representing the negligent party, who must pay the claim. And what better position for an insurance company to bargain from—against a family with no provider and no income.

Now, they are free to negotiate a settlement from strength. They are not there to compensate the injured or the estate of a deceased, but to protect their client and to

strike the best deal they can so as to cut their own losses.

Take what we offer you, they say, or be prepared to struggle through two or three years of court proceedings. It is an immoral system.

In a documented report carried out by students at Osgoode hall, Professor Allan Linden has conclusively shown that many seriously injured accident victims receive far less than adequate compensation for their losses.

And what of the other party who has been found negligent? He too may have been maimed or killed. Under present legislation, we merely say to that party, too bad—drive more carefully—too bad about you, too bad about your wife, too bad about your children. And in one careless moment a family may be plunged into continuing despair.

Then there are the cases where the accident occurred through no one's fault—neither party is to blame. This is the kind the insurance companies like. If you are going to have an accident, say the insurance companies, have that kind. Then we don't have to pay a cent, and, in fact, if you live through it, we may even get to raise your rates. Fortunately, because of Canada's legal system, this particular type of financial disaster is rare here, but it does occur, although it is common in the U.S.

All this suffering, and for what? For the insurance companies, who make millions of dollars without accepting their fair share of responsibility. But then, they are corporations, inanimate, and you can't expect a paper creation to have human feelings—to react to letters like this one:

Dear Dr. Shulman:

My present circumstances are rather desperate. In the latter part of August, 1965, my daughter, Judith, age 18, was killed in a car accident. At that time she was my only financial help. My lawyer claimed that there was nothing I could do and it was no use trying to claim anything. The driver of the car was a bad driver and had to pay $400 insurance to get his licence.

My daughter was working in the tobacco harvest with some friends. They accepted a ride from this driver.

Two weeks later I was in a car with some friends when we were struck from behind by a five-ton truck, two tons overloaded. I was sitting in the front seat and was thrown forward, striking my left ear on the dashboard.

I collected $900 in cash, the rest went to my lawyer and doctor bills.

My lawyer advised me to settle for this because of my desperate need at the time. But I have had the most dreadful headaches extending from my ear ever since.

I had had headaches before, but ever since that day earaches come with it, and depression, deep desolate depression. I become so ill I usually have to go to bed. I have shaking spells when I do not have tranquilization.. Even my head shakes. I'm so embarrassed that I cannot go out unless I have pills. I am afraid to try to take a job because of my condition.

I have two little girls, 11 years old. At present they cannot go to school. Because of the accident I have been ill with headaches, earaches, and depression and as a result have been unable to work.

The well in our basement is covered over by three feet of muddy, unfit to drink water, and I am unable to wash the clothes.

During the recent snowstorm, we did not have fuel for our stove and my children and I have had a miserable time taking fuel into our isolated home by toboggan.

I certainly hope something can be done as our circumstances are so bad. I suffer from depression and have had crying jags for no apparent reason other than at times, of course, it concerns me—my daughter is dead.

The insurance companies are not the only profiteers from this situation. Perhaps a part of all this suffering is for the benefit of the members of the Ontario bar that try accident cases and make millions of dollars. But then they are only servants of the paper-created corporations, sworn to do for their inanimate masters what the corporation would do for themselves, had they but lawyer's training.

Another letter I would like to read:

Dear Dr. Shulman:

My husband was in a car accident over four years ago. He had stopped his car and was waiting for the light to change when a truck drove into the back of my husband's car and smashed it into a truck in front of him.

My husband was not hurt too badly, but he had a bad whiplash and could not stand

up straight for quite a few months after this. He went to the doctors and had to be treated for this accident. The bills from the doctors started to come in, so my husband went to see a lawyer and he said that he would take the case.

The lawyer sent all the doctors a letter saying they would be paid when the case was settled. My husband has gone down to see this lawyer to see how things were coming along, but the lawyer said they can't make up their minds what to do.

Now my husband has gone down to see this lawyer again, and he is now too busy to see my husband. Or when he phones him, his secretary says he is too busy to talk to my husband now and he will phone him back, but he never does.

My husband wrote to the insurance company of the car that ran into him. They wrote back and said that our claim was statute barred.

Now the doctors that helped my husband are sending us final notices.

My husband did not do anything at all to cause the accident. The doctors are starting to send us more letters for their payments and the lawyer won't answer his phone.

This is such a common letter, where the lawyers do not do their job. The case drags over the year and the people do not get a cent and the insurance companies do not give a damn. They are delighted.

Is all this suffering for the government of Ontario, preoccupied with 19th century *laissez-faire*, new world philosophy, dedicated to protect the wealthy and the powerful?

But I have heard from the people of Ontario, and they are living in 1968. They are living in an age where traffic is not orderly as it may have been 50 years ago. There are over two million cars in Ontario, and at times they all seem to be on the same highway.

There are, too, different drivers with different reflex actions, different sight capability, driving cars with different potential on roads with different hazards.

Typically then, accidents involve a whole range of contributory factors for which the concept of negligent party is almost absurd.

Experts have stated that it is unlikely that any but a fraction of these accidents could be prevented and it is impossible in many cases to state with any certainty who is responsible.

There is another letter:

Dear Dr. Shulman:

On December 19, 1966, I was struck from the rear by a taxi cab. I got out of my car and asked the cab driver what had happened. He informed me that the accident was not his fault as his passenger was hitting him over the head with her purse and he had lost control of the taxi, hitting my car.

It has been now over two years of stalling, procrastination.

To add injury to injury, I have been informed by my insurance company that my premiums are to be raised as a result of this accident.

I carry insurance to protect myself and others and when I call upon it to perform, nothing is done. I am the innocent party and I have been asked to pay a penalty, to pay when another's mistake and unwillingness to comply with what I (must have mistakenly) understood was the law.

This Legislature has for 15 years known that the fault-liability system is no longer acceptable. I quote from the final report on the select committee on automobile insurance dated March, 1963—

Mr. Singer: You put the wrong date on it, is 1962.

Mr. Shulman: I apologize. To quote:

The committee sees wisdom in the views of certain eminent persons who believe that the traditional fault-liability system sometimes falls short of providing justice to those involved in or affected by automobile accidents. To put the problem in its simplest terms, society can no longer be entirely satisfied with the idea that fault in every accident rests with an individual, or individuals, and the financial consequences, whatever they may be, should therefore rest with an individual or individuals.

In this automobile age, society as a whole is, perhaps, responsible for traffic accidents and their consequences to a greater extent than we have thus far realized or admitted. It may also be, as was suggested in the first interim report, that the task of establishing responsibility amid all the complexities of today is, quite frequently, an almost impossible burden on those who adjudicate cases.

It is no longer good enough for us to

say that all those who are not entitled to indemnification under the traditional fault-liability system—the surviving dependants of the negligent party, the negligent party himself who may be disabled for life, or the small child who dashes in front of an automobile and is permanently crippled—do not deserve a remedy of some kind for damages. The fact of the matter is that they need a remedy.

And, on this same subject, from their interim report of March 1961:

It is rather surprising to the committee that, over the years, the insurance industry has not reacted more positively in this particular area of concern.

The result of the fault system is wildly erratic. Professor Linden of Osgoode hall found that small "nuisance" claims were overpaid because of the cost to insurance companies involved in court proceedings, while cases involving substantial loss received far less than deserved, as this letter indicates:

Dear Dr. Shulman:

In 1965, my son received a very bad whiplash. The insurance company said they would pay $300 to cover the costs of repairs to his car. We felt that when the insurance company made this payment, no further problem would be encountered in the settlement.

However, they refused to pay the doctors' bills and finally considered doing so if we would sign off all other claims against them. This was done in the fall.

However, I was not happy with this arrangement, but my son felt that, rather than keep the doctors waiting any longer, he should settle it one way or another. My son lost three months of work, and finally his job, in Ottawa, where the accident occurred.

I trust that some law will be passed at some time or other to protect the public from running into this kind of problem.

The system encourages corruption. The lawyer who assisted me in the research in this particular project told me that some insurance adjusters offer high fees to solicitors in the hope that the lawyer will persuade his client to settle.

Mr. Singer: Have you got any evidence of that?

Mr. Shulman: I am accepting the word of the lawyer who presented this to me. Do you want specific cases?

Mr. Singer: Yes, I would like some because I think if you have that kind of information you owe a duty to the profession and the public to bring it forward.

Mr. MacDonald: How quickly you spring to the defence of the existing insurance system!

Mr. Singer: No, I am not defending it, but I do not think you should make charges like that unless there is a reason.

Mr. MacDonald: You rise to its defence all the time.

Mr. Singer: I certainly will on an occasion like this without any nonsense from you.

Mr. Martel: One third of the lawyers fees are from automobile accidents.

Mr. Singer: Occasions like this, without any gratuitous advice from you, speak for themselves.

Mr. Shulman: It is a shame, Mr. Chairman, the member for Downsview does not show as much interest in the rights of the people who are struck by cars as he does in the good name of the legal profession. We see the lawyers in the Liberal Party jumping to their feet any time something comes up involving the bar. They are not on their feet—they are not saying anything about the horrible results of these accidents.

Mr. Ben: Point of order. Does the hon. member feel that it is justified to slander anybody at all, whether he be lawyer, doctor, Indian chief, baker? Is there some particular class that he thinks is justified to slander in this world? If he does think so, tell us so we will know.

Mr. Shulman: May I say, Mr. Chairman, that the legal profession has fallen short in many fields. This is one of them. I have not hesitated to criticize my own profession when they have fallen short, as you well know gentlemen, but when—

Mr. Ben: Everybody in a profession is therefore dirty.

Mr. Shulman: Everybody in a profession is not dirty. I said nothing of the sort, but you have not cleaned all your dirty linen.

Mr. Ben: Name the ones and we will do it.

Mr. Shulman: I have named them in this House and nothing has happened.

Mr. Ben: Name one.

Mr. Shulman: Very well, I will repeat my earlier speech.

Mr. Ben: I do not care who he criticizes. Let him name facts so we can prosecute. I do not care who he criticizes.

Interjections by hon. members.

Mr. Shulman: May we return to automobile accidents, Mr. Chairman?

The plaintiffs file inflated claims. Law students are instructed to make claims on behalf of their client far beyond reasonable figures, because one never knows what a jury will award, and a client may hit the jackpot.

Witnesses remember the unrememberable. Some doctors exaggerate, and some lawyers, despite law society rulings to the contrary, work on contingency.

And if the fault system is defended as a safety device, because negligent drivers are penalized financially, then surely for that reason alone the fault system must be scrapped.

The central myth of the pre-scientific stage in this field was that drivers were responsible for accidents and could be made not to have them. Studies have shown that such a premise is not valid.

A more serious effect of the existing insurance system has been to fill the courts with cases. The number of highway cases—estimated to be 1,300 per year in this province, or approximately 16 per cent of all civil court cases tried in Ontario—have caused an unprecedented delay in the process of justice. It now takes an average of eight months to obtain a jury trial in the county of York.

There is, of course, the side effect of raising premiums of those involved in car accidents as letter after letter—dozens of them—received by me bears out.

Dear Dr. Shulman:

When my insurance agent was making up the renewal forms, I declared I had received only one summons, completely forgetting a summons for crowding the driver's seat that I had received near Barrie. He said my premium would be $178 for a year and I paid it.

When the insurance company discovered my omission, they increased my premiums to $202 per annum, an increase of $34 per year, also a six-month policy could not be taken out as I now had six demerit points.

I explained that I had been driving on the highway near Barrie, and my girlfriend had her head on my shoulder, only the two of us in the car.

Instead of taking a day off work, and paying expenses to go to court in Barrie and fight the charge, I decided it would be more economical and time-saving to pay the fine of $11.50.

My agent told me that he had explained the circumstances to the insurance company and they consider crowding the driver's seat as being more than three persons in the front seat.

Because I paid the fine for apparent reasons, I was automatically put in this category and they would not consider my story.

The fine was $11.50 so why should I pay this fine to the insurance company three more times, and that's only for one year.

I only wish I could have saved the $1,000 I have paid for auto insurance in the last three years to these highway robbers who set these prices.

The young man who wrote this letter is, of course, correct. Raising the rates of a driver is clearly a punitive action, a field belonging to legislators and criminal courts. But with our present system an insurance company has the power to tell a party that he is responsible for an accident, and he will be penalized. From this decision, there can be no appeal, and if an insured complains, rather than a hearing, he is more likely to receive a letter from an unsympathetic computer.

Nor, apparently, does an insurance company have to have a reason to raise the driver's rates. Here is another letter:

Dear Dr. Shulman:

Last December we received notice that our auto insurance would jump from $150 to $171. I phoned the company to enquire why the jump. We had no claims for eight years.

The following week we took out a policy with another insurance company and the next day I telephoned our former insurers to inform them we had insured elsewhere. The person that I spoke to proceeded to tell me that we owed them money as we had a three-year contract with them.

To break this contract, I would have to write them a letter asking to be released and pay them $38 service charge. When I protested strongly, he stated he could do me a favour by breaking the contract for me and send me a registered letter. This way, he said, it would only cost us $27.

I contacted our solicitor, who advised us to tell them that if they wished their money, they had better sue us.

Needless to say, when I did this, they apologized all over the place and passed the buck to an agent who they felt was being a bit over-zealous.

Here is another example of the same thing:

Dear Sir:

I have been covered by the same insurance company since approximately 1953. In the last 10 years, in fact beyond that, I have not had a claim filed for any accident, yet my insurance premiums have risen steadily each year.

The company informs me that I have a preferred rating—no claims bonus—but cannot get an "A" rating because I take my car to work. What good is the car to me if I cannot use it to go to work, since my wife does not drive?

The insurance company states rising claims and costs for the increases in premium, yet I have yet to see a poor insurance company.

Three years is the extent of the no-claims bonus, beyond this you could be accident-free for 50 years and not receive any more reduction in your premium rate.

Here is another one:

Dear Dr. Shulman:

Driving along the main road leading to the Ontario Hospital at Whitby, within the hospital grounds, I saw another car approaching from a sideroad, and I was struck as I was passing.

The police from Whitby township cleared me of any responsibility after taking marks, distance and point of contact into account. However, the policeman apparently stamped his report, "private property".

Because the accident happened on private property the other driver's insurance company refused to honour their obligation.

The damages to our car amounted to $160, with $100 deductible, so that in all, our insurance company paid out $60.

The car I was driving on this occasion was only four months old, registered in the name of my 21-year-old son. With a second son as another driver under 25 years of age, it occasioned a high premium, the amount being $297. Following the accident, which had cost the company $60, the premium was hiked to $550. It was I who was involved in this accident, but my son was the one penalized.

So as not to discriminate, many insurance companies levy the same penalty to all their insured, equally. Those who have had a claim for $100,000 are penalized to the same extent as those who have caused $10 damage to another vehicle.

Hon. A. Grossman (Minister of Correctional Services): Why did the hon. member go to Allstate?

Mr. Shulman: Because they had more claims against them than anyone else, and I was rather amazed by the huge pile that I had against Allstate so I made a personal visit to that company.

In any case, the explanation from this very fine gentleman, may I say, even though I disagree with the policy of his company, was if you have an accident, whether it is a $10 or $20 accident, the fact is that then you are more likely to have another accident, so if you have a $10 accident, they are going to raise your rate just as if you had a $100,000 accident. This is their logic.

Mr. Ben: Is this not statistically correct? If you have an accident, you are more likely to have another?

Mr. Shulman: Well, I would like to think that it is not correct; there are many differences. A $100,000 accident normally involves a number of factors which are not involved in the inexpensive accidents.

Mr. Ben: I am not speaking of quantum. Is it not a matter of probabilities that if you have an accident the chances favour you having another within two years?

Mr. Shulman: I am delighted to find that the hon. member for Humber is up defending this particular system.

Interjections by hon. members.

Mr. Shulman: The law of probability is that someone having a small accident is therefore likely to have another small accident.

Mr. Ben: My point is that is it not a fact of probability in statistics that if you have an accident, no matter how small it is, the probability is that you are going to have another one within two years? Is that not correct?

Mr. Shulman: That is partly correct.

Mr. Ben: Elucidate please, do not try to waffle out of it.

Mr. Shulman: I thought that I had elucidated.

Mr. Martel: I suppose that if you have a second accident you will have a third?

Mr. Shulman: Excellent knowledge.

It is also interesting to note that insurance companies penalize drivers despite the fact that no criminal or quasi-criminal findings are made. At one point, insurance companies could cancel a policy without cause. This cancellation mysteriously becomes common knowledge throughout the industry, although the insured himself is given no reason for the cancellation. Here is another letter:

Dear Dr. Shulman:

> As you can see by the papers enclosed, I applied for insurance for my car on November 14, 1967. This insurance was cancelled within one month, and I don't know why. The insurance company did not tell me.
>
> I have telephoned the insurance company, but they don't seem to want to say why the policy was cancelled.

Things have improved a little, let me say. Now the insurance industry has devised a scheme whereby anyone can be insured. The scheme is known in the industry as facility. That is spelt f-a-c-i-l-i-t-y.

Mr. Sopha: Do you think that we cannot spell?

Mr. Shulman: I have had some doubts about the hon. member for Sudbury for some time.

Now if a policy is cancelled for any reason, or no reason at all, facility will accept the risk, charging the insured as much as 300 per cent of the normal premium or even more for commercial risks.

Incidentally, Mr. Chairman, getting a copy of the facility agreement was worthy of James Bond. For some reason the companies were not particularly happy to send out a copy of this agreement. I am not sure why, because I would think that they would have been very proud of having improved the system. It took numerous letters, many phone calls, and finally a member of the industry anonymously slipped me a copy.

By some strange coincidence the next day I received three copies officially, one from the office of the superintendent of insurance, one from the all-Canada federation, and one from one of the insurance companies involved. So the insurance companies, I may say, are very well aware of what goes on in this world.

The rates under facility are still excessive, because to charge as much as 300 per cent of a normal premium, and it can go a lot higher for commercial risks, appears to me a little unreasonable.

And who decides that an insured is no longer a good risk? Who penalizes the insured? Not the law, not this Legislature, but a nameless and faceless agent of a corporation, from whose decision there is no appeal.

Thus, while the Legislature of this province, through The Highway Traffic Act, and the Parliament of Canada, through the criminal code, have laid down certain rules, the breach of which may bring a penalty to the transgressor, the insurance companies have, through their own *de facto* legislation, sought to penalize drivers.

The law of the insurance company is, of course, not to punish drivers. They are not interested in doing that with the expectation of lessening future offences. What they are interested in doing when they raise the rate is to bring in more money to fatten their own coffers.

Here is another letter:

Dear Sir:

> I was parked in a parking lot at work, and when I came out one night, my car was smashed up on the left side. Nobody saw what happened, and the next day I got in touch with the insurance company who authorized the work to be done.
>
> I had insurance which was $100 deductible. The damage was $178.74, and the insurance company therefore paid $78.74. When my premiums came due, they had raised them.
>
> I had never had an accident, and that's the deal I got. I still have insurance, but not with that company.

On the subject of insurance companies' coffers, what about insurance companies' rates, and what of the myth that they are losing money? We can go all the way back to the 1930 study for this Legislature by the Hon. Mr. Justice Hodgins. His "Report on Automobile Insurance Premium Rates' concludes:

> I find that the automobile insurance premium rates fixed by the Canadian automobile underwriters' association, the "bureau," effective February 1, 1929, were unreasonable high.
>
> I further find that the method of increasing the rates in 1929 was unusual, unreasable, and unfair, in that they were founded on rates which had not been fixed on a scientific or statistical basis, as was con-

tended before me, and by the further fact that the provision for expenses was increased by 50 per cent on two coverages, and 25 per cent on one coverage, without any increase in the expenses of the companies. No evidence was adduced before me to warrant such increase.

Now what of the myth that these companies lose money on auto insurance—a myth carefully propagated by the apologists for the insurance companies who cry that only their income from investments allows them to remain in business in light of their huge losses on auto insurance? Bunk! Let us leave aside their investments and look only at their insurance income.

The figures are available in the annual report of the superintendent of insurance. In 1966 there were $264 million of net premiums written, $247 million of net premiums earned, but losses of only $155 million paid. In other words, they took in in premiums $100 million more than they paid out in claims.

The same pattern is found every year. I have here the Toronto *Telegram* and *Financial Post* of April 20, 1968. The headline is "Big Profit Again in Auto Insurance," and this after all servicing, all expenses.

Mr. Ben: Where are the figures?

Mr. Shulman: They are in the report.

Mr. Ben: Well, give us the figures. Your leader thinks the same thing—

Mr. Shulman: I will be glad to give the figures, I have them here.

Mr. Ben: I have been trying to find those figures since your leader made the statement and omitted to put in what the costs of servicing them were, the wages that they paid, and so on.

Mr. Shulman: If the member for Humber will be patient—

Mr. MacDonald: Another Liberal rising to defend the insurance companies.

Mr. Ben: I will defend a member of the devil's staff—that is the NDP—if they are unjustly accused. I will defend you if you are unjustly accused, and that is really saying something.

Mr. MacDonald: Thank you.

Mr. Shulman: Mr. Chairman, I do not wish to stay too lengthy tonight, but inasmuch as the—

Mr. Ben: We believe in justice, you know. Give us the figures.

Mr. Chairman: Perhaps we could get back to some proper debate.

Mr. Shulman: I am about to, Mr. Chairman, if the Minister will just be patient.

Hon. Mr. Randall: Well, tell us about it, give us the figures.

Mr. Shulman: I have the figures. May I finish my prepared address first and then I will be glad to give you the figures.

Mr. Chairman, I hate to keep the members unduly long tonight but I must digress to supply figures because the member has asked me for them.

Interjections by hon. members.

Mr. Shulman: Mr. Chairman, I must apologize, I do not have those clipping here. I will supply them to the member tomorrow morning.

I will tell you what I am going to quote, Mr. Chairman, from the Toronto *Telegram* of April 20, 1968, and *The Financial Post* of April 20, 1968. I have, however, some of the figures here and I will go ahead because they are in my address, if I may.

Mr. Ben: You are guilty of the same thing.

Mr. Shulman: I will be happy to supply them. I promise the member for Humber, Mr. Chairman, he shall have them before 2 o'clock tomorrow.

Interjections by hon. members.

Mr. Shulman: Mr. Chairman, if you will keep these members subdued and quiet I will be happy to go on with my talk.

What of the insurance companies' claim that auto insurance losses are subsidized by income from other types of insurance? More bunk!

In 1966 insurance companies paid out in claims 58.9 per cent of the net premiums received from automobile insurance, but they paid out a higher percentage of the total in the other classes of insurance. In fact, the total for all insurance, including auto, was 59.3 per cent.

Which points this out—that actually auto insurance is more remunerative than all insurances put together. Read the report, it is right in the report.

Hon. Mr. Rowntree: Mr. Chairman, I rise

on a point of order. This whole debate has nothing to do with my estimates, it has to do with the Budget debate or Throne debate, or a matter of policy. This has nothing to do with my estimates, but in any event, it is all very well and I now move that the committee rise and report.

Hon. Mr. Rowntree moves that the committee of supply rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, tomorrow we will continue with the estimates and there probably could be some reference to the order paper as well.

Hon. Mr. Rowntree moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11 of the clock, p.m.

No. 141

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Tuesday, July 9, 1968

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JULY 9, 1968

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: Petitions.

Presenting reports.

Mr. A. B. R. Lawrence from the standing committee on education and university affairs, presented the committee's third report which was read as follows and adopted:

Your committee begs to report the following bills without amendment:

Bill 162, An Act to amend The Teachers' Superannuation Act;

Bill 163, An Act to amend The Ontario School Trustees' Council Act;

Bill 164, An Act to amend The Teaching Profession Act;

Bill 165, An Act to amend The Public Schools Act;

Bill 166, An Act to amend The Department of Education Act;

Bill 167, An Act to amend The Secondary Schools and Boards of Education Act.

Your committee begs to report the following bill with certain amendments:

Bill 168, An Act to amend The Separate Schools Act.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

TOWNSHIP OF RED LAKE

Hon. W. D. McKeough (Minister of Municipal Affairs) moves first reading of bill intituled, An Act respecting the township of Red Lake.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, this bill authorizes the township of Red Lake to pass a bylaw without the approval of the Ontario municipal board to provide for the issuance of debentures to pay for the addition of four classrooms to the Red Lake district high school.

TOWNSHIP OF CHARLOTTENBURGH

Hon. Mr. McKeough moves first reading of bill intituled, An Act respecting the township of Charlottenburgh.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, this bill authorizes the township of Charlottenburgh to pass a bylaw without the approval of the Ontario municipal board to provide for the issue of debentures to pay for the establishment of a water supply system.

CONTROL OF AIR POLLUTION FROM MOTOR VEHICLES

Mr. M. Shulman (High Park) moves first reading of bill intituled, An Act to provide for the control of air pollution from motor vehicles.

Motion agreed to; first reading of the bill.

Mr. Shulman: Mr. Speaker, you will recall that some weeks ago I had the pleasure of introducing a bill—

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, on a point of order, is the hon. member in order?

Mr. Speaker: The member is quite in order to make an explanation of his bill if he so wishes, without a question.

Hon. A. F. Lawrence: I thought it had to be requested.

Mr. Speaker: I would say this, that the practice lately in this House has been that the member introducing a bill has the privilege of making an explanation if he wishes. I stand to be corrected by the House if they wish it only to be in accordance with the strict rules of procedure that an explanation must be asked for.

Mr. Shulman: Hon. members will recall some weeks ago I introduced a bill to control air pollution from all sources other than auto vehicles. This bill covers the special problem of motor vehicles and lays out standards to

control the problem of air pollution from this source.

Mr. Speaker: The Minister of Municipal Affairs has a statement.

Hon. Mr. McKeough: When The Residential Property Tax Reduction Act was before the House, one of the points of interest was when the province would be able to begin payments to municipalities.

This also was a point of interest—of very great interest—when I held a series of 10 meetings in various parts of the province to discuss the tax reduction system with municipal representatives and others. On those occasions, it was not practical for me to give answers that were as specific as my questioners perhaps would have liked. Today I can be specific.

The Provincial Treasurer (Mr. MacNaughton) has expedited the procedures for prompt payment to the municipalities. Consequently, I am pleased to be able to announce that cheques are being mailed this afternoon from the Provincial Treasurer to the first 34 municipalities which filed claims for reimbursement under the residential property tax reduction system. These are all the claims received by last Friday, July 5.

In most cases, the cheques relate to the first instalment of the municipal taxes. The amounts range from $231.40 for school section No. 1 of Harmon township, to $2,124,079 for the borough of North York. I am making the full list available to the hon. members as a matter of interest.

The total of the 34 cheques issued amounts to $5,385,892.62.

Mr. Speaker: The member for Rainy River has a question from yesterday?

Mr. T. P. Reid (Rainy River): I have a question for the Minister of Lands and Forests: Why was the group of boy scouts from Pittsburgh, Pennsylvania, known as the "Corn-poppers", granted free camping privileges at Killbear provincial park during the past weekend, although a group of Canadians from a nearby church was forced to pay $30 to have a Sunday picnic in the same park?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, in reply to the hon. member for Rainy River, the church group was charged the daily entrance fee of $1 per car for day use after having been advised that such would be necessary. The boy scout group were allowed entry to choose the particular organized group camping site that they wished. They then paid the regular group camping fee of 10 cents per person per night. No vehicle entrance fee is charged for such organized group campers. The amount paid by this group of 43 boy scouts was $25 for six days. This is recorded on departmental receipt No. FO9285-4. In the case of each group the charges are as per the authorized schedule.

Mr. Speaker, I have a similar question from the hon. member for Port Arthur (Mr. Knight) which was asked on July 5 and the question was: Is the Minister aware—

Mr. Speaker: The Minister has not yet been asked that question and the member for Port Arthur is not here so will he please retain his answer.

Mr. T. P. Reid: May I ask the Minister a supplementary question?

In view of this large discrepancy, are you going to review your policies so that a church group or some such organization as this is not laboured with these great expenses for a one-day outing? Surely the $30 was unreasonable. Some flexibility is required.

Hon. Mr. Brunelle: Well, Mr. Speaker, we feel that this is a very reasonable fee. If, for instance, they wanted to leave their cars outside the entrance they could walk in free, and this was explained to them. In view of the large number we think it is a very reasonable fee.

Mr. Speaker: The member for High Park has a question.

Mr. Shulman: I am sorry, Mr. Speaker, I do not seem to have a copy of that. Could you send it here to me, please?

Mr. Speaker: Yes. The member for Peterborough might perhaps ask his question.

Mr. Shulman: I have it, it is all right. It is a question for the hon. Attorney General.

Are Canadian citizens who are placed on probation by United States courts and then deported to Canada required to report to probation officers in Canada, and under what legislation is such reporting required?

Hon. A. A. Wishart (Attorney General): Mr. Speaker, Canadian citizens who have been placed on probation by American courts and then deported to Canada, are asked to report to probation officers in Canada. There is no formal, reciprocal arrangement between the countries on that point and there is no

legislation. The procedure has been adopted by the probation service of both countries.

I would say that if a probationer were refused there would be no sanction to compel him to report. The only thing I could add would be that if he should find it possible to return to the United States he would be subject to some compulsion there if he failed to carry out his probation terms.

It is just an arrangement that is reciprocal which has no legal sanction; one that has been adopted and carried out without any formal legislative sanction.

Mr. Shulman: Will the Attorney General allow a supplementary question?

Hon. Mr. Wishart: Yes.

Mr. Shulman: Would you agree that it would be wise to formalize this arrangement by passing suitable legislation?

Hon. Mr. Wishart: I think perhaps it would be fair to say that it would be better, if we felt it wise, that we try to get legislation for it. Sometimes it is difficult where you have two countries working to get legislation at the same time in both countries, but it has worked very well on an informal arrangement.

Mr. D. C. MacDonald (York South): There will be trouble if the hon. Minister gets mixed up in external affairs!

Hon. Mr. Wishart: I understand that the civil liberties people have sometimes raised this point but it seemed to me a rather minor thing that someone who had been placed on probation by the court in the other country should find it an infringement of his liberty not to carry out the arrangement we had entered into. As I say, there is some dfficulty in getting legislation contemporary and complementary together at the one time.

Mr. Speaker: The member for Peterborough.

Mr. W. G. Pitman (Peterborough): Mr. Speaker, I would like to direct a question to the hon. Minister of Education and University Affairs.

Do the new province of Ontario student aid programme regulations requiring one year's residence in the case of landed immigrants apply retroactively to students who are landed immigrants, who do not have one year's residence in Ontario, but had already applied for OSAP prior to the issuing of the regulations?

Hon. W. G. Davis (Minister of University Affairs): Mr. Speaker, the current regulations for the Ontario student award programme apply as stated to all applicants in 1968-1969. Previous status, including that of landed immigrants, established under any previous regulations, will not have a bearing upon the current administration of the programme. At this time the regulations state that:

> An independent student who is a Canadian citizen, or a landed immigrant, must have been a permanent resident of Ontario for at least 12 consecutive months immediately prior to first enrolling in the academic programme for which he is requesting financial assistance.

This regulation was established on the premise that the major obligation of support is for our own citizens, and that some reasonable requirement of residence in our province should be met before public funds for educational purposes are made available.

There have, however, been some suggestions, for example, from the committee of presidents that this regulation may create some difficulties for those with landed immigrant status who wish to embark immediately on a post-secondary programme.

I have, therefore, asked officials of The Department of University Affairs to review the matter to ensure that we are continuing to maintain a programme of assistance that is fair and equitable both to those who apply for aid and those who provide the public funds to finance it.

Mr. Pitman: Mr. Speaker, a supplementary question.

First, I am pleased that there is a reconsideration of this question, but I am wondering if the Minister might reconsider applications of any persons who came into the country expecting to take a university course and now find themselves in this particular situation; whether or not they actually applied before the regulations were in effect?

Might I direct another question, Mr. Speaker, to the Minister of Trade and Development?

Could the Minister indicate how many centres which were originally rejected for designation under the equalization of industrial opportunity programme have now been accepted under this programme?

Hon. S. J. Randall (Minister of Trade and Development): Mr. Speaker, I just walked in the House and found this question here. I will have to take notice and will get the information to the hon. member.

Mr. E. R. Good (Waterloo North): Mr. Speaker, I have a question of the hon. Attorney General.

When does the Attorney General intend to appoint additional coroners to service the cities of Kitchener and Waterloo, due to the absence of the only coroner now resident in the Kitchener-Waterloo area?

Hon. Mr. Wishart: Mr. Speaker, it is true that at the moment the coroner who is resident at Kitchener is away on vacation. He left yesterday and this morning I recommended a successor appointment. We have been looking for someone who is willing and ready to take the appointment. I would expect that appointment would be made very quickly.

In the meantime, I would point out that there are coroners in Galt, Hespeler, Elmira, Preston and New Hamburg, in any event, to take care of the work in the interim. I expect the appointment which I have recommended —which is, I may say, that of Doctor G. J. Chirst—should take place very quickly.

Mr. Good: Would the Minister allow a supplementary question?

How many coroners, in your opinion, do you think there should be in the twin cities of Kitchener and Waterloo?

Hon. Mr. Wishart: I have not any number in mind. I accept the recommendation of the supervising coroner. If he finds a need for additional coroners, he gives me the recommendation and I accept his view in the matter.

Mr. R. F. Ruston (Essex-Kent): Mr. Speaker, I have a question of the hon. Minister of Transport.

Is the hon. Minister considering any legislation with regard to truck safety, in view of the report in the Windsor *Star* of July 6, 1968, that safety inspectors found a semi-trailer truck loaded with 3,500 gallons of inflammable gas and the trailer had no brakes?

If regulations now exist, will the hon. Minister take the proper steps to see that all trucks carrying inflammable or explosive material be proven safe prior to operation on the highways of this province?

Hon. I. Haskett (Minister of Transport): Mr. Speaker, it is apparent from the article to which the hon. member alludes that the current compulsory motor vehicle inspection operation of our department in Windsor is proving highly successful.

The article tells of 54 unsafe trucks being taken off the roads and that the owners of many others are facing possible court action. This vehicle inspection lane is one of a fleet of lanes operated by our department, giving compulsory vehicle inspections in all parts of the province at this time.

Section 48 of The Highway Traffic Act provides the police with the authority to remove any unsafe or dangerous vehicle from the road. And section 35—more specifically, regulation 224 promulgated thereunder—section 3, item 6, spells out the braking requirements for the vehicle here involved, namely, that a combination truck and trailer, where the trailer has a gross registered weight in excess of 3,000 pounds, must be able to stop from a speed of 20 miles an hour on a level, dry, smooth pavement in 50 feet.

Mr. Speaker: The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Mr. Speaker, I have two questions for the Minister of Lands and Forests.

The first one is: Will the huge tracts of valuable timber on land held by the Algoma Central Railway revert to the Crown in keeping with the recommendations of the Brodie forest study unit?

The second one is: How much does the Algoma Central Railway pay in land tax for the 850,000 acres of property they own? Do they pay taxes on the undeveloped land as well as the developed land?

What are they charged, per year, for forest fire protection?

Hon. Mr. Brunelle: Mr. Speaker, in reply to the hon. member for Thunder Bay:

On his first question: This matter is under very active consideration—there are negotiations at the present on this question of the exchange of land with the Algoma Central Railway.

With regard to his second question: The Algoma Central Railway pays provincial land tax in the annual amount of $73,845.45 for the property and interests they own. They also pay taxes on the undeveloped land as well as the developed land.

With regard to forest fire protection charges, the railway pays $29,994.75 per annum at current rates for forest fire protection under The Railway Fire Charge Act.

May I add, Mr. Speaker, that this year, of course, we introduced and passed an Act whereby charges will be doubled, so next year they will be paying twice the amount they are now paying.

Mr. Speaker: The member for Essex-Kent.

Mr. Ruston: Mr. Speaker, I rise on a point of privilege. I wish to note in *Hansard* of July 4, page 5159, that the hon. Minister of Municipal Affairs, when replying to my comments made by myself, and I quote: "My friend from Essex-Kent said when he was speaking that perhaps the slogan should be 'amalgamate and escalate'." I wish to inform the House that these were not my words, and I am quite sure that the hon. Minister did not intend to add words to my remarks.

Hon. Mr. McKeough: Mr. Speaker, I have not read *Hansard*, and I thought what I said was that my friend from Halton West (Mr. Kerr) said those terms, so perhaps *Hansard* might be corrected accordingly.

Mr. Speaker: The House leader.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, before the orders of the day, I wish to table answers to the following questions standing on the order paper: Nos. 2, 20, 21, 40, 47, 57 and 58 (see appendix, page 5380).

Mr. Speaker, I would like to provide the answer to a question from the hon. member for York Centre (Mr. Deacon), a set of questions having to do with the Prudential Finance Corporation. There were some eight questions all told, and the answer to the first one is:

In the absence of evidence to the contrary, citizens are assumed to be honest. The directors of Prudential were business men. The commission staff relied on the certification by the directors made in accordance with the legislation certifying that the facts contained in the prospectus constituted "full, true and plain disclosure of all material facts in respect of the offering of securities referred to" in the prospectus and that "there was no further material information applicable other than in the financial statements or reports where required."

The financial statements themselves were duly certified by a member of the institute of chartered accountants, Morris A. Stein. The material was examined by the staff to determine if it complied with the provisions of the then section 40 of The Securities Act.

It is not now possible to reconstruct the questions which were asked and the additional disclosure made in the prospectus at their request. It is clear that the warning given on the front page of the prospectus was required by them. Facts set out in a prospectus were not routinely investigated at the time of filing. Honesty was assumed. Prosecution for the alleged false filing, as in the present case, follows.

The answer to the second question is:

Prudential gave notice to the commission pursuant to the then section 19(2)1(iii) of The Securities Act, of its intention to offer 7.5 per cent sinking fund debentures, second series, to its short term note holders–the first series had been offered in 1962-1963. The commission objected to this offering until the company submitted and agreed to deliver to the existing security holders what the Clarkson, Gordon and Co. report of March 8 1967, calls, at page 12, the prospectus-type offering circular. The commission's objection was withdrawn on December 4, 1964.

The document contained up-to-date information and the same warnings which appeared on the face page of the earlier prospectus. The company was not authorized to raise additional funds from the general public, merely from its existing security holders.

The answer to the third question is:

By letter dated October 6, 1965, Prudential advised the commission that as at September 20, 1965, it had discontinued the sale of additional securities to its existing security holders under the section 19(2)1(iii) exemption. The commission had no information before it indicating that these sales had not in fact ceased in Ontario.

However, it was felt that the notice given did not effectively remove the exemption. As a result of enquiries the commission had instituted, a hearing was held on March 30, 1966, which resulted in an order pursuant to the then section 19(3) denying the exemption in section 19(2)1(iii) to Prudential. The order was dated March 31. This was intended to prohibit Prudential from raising additional funds from Ontario security holders.

The answer to the fourth question is:

Despite the fact that the Quebec securities commission, acting on information supplied by Ontario, ordered Prudential to cease selling securities in that province on April 5, 1966–a right which it had enjoyed until that time–and the publication of the fact of the March 31 order in the commission's May, 1966 bulletin, sir, the commission were not advised nor did they discover any evidence of any trading in Prudential securities in Ontario until after the fact of Prudential's insolvency was made public during November, 1966.

The commission's enquiries had continued after March 31 with no evidence being disclosed that Prudential was selling additional securities to the public. After November, 1966, it was discovered that certain officers of Prudential, seemingly to allay the fears of its creditors, arranged to redeem their securities by finding other purchasers for them. The purchase and resale was made through Ontario Metal Specialties.

Shortly before November 11 money was obtained through the efforts of Roman Lipowski. The money was converted to Prudential's use and no securities were issued. This conduct, as detailed in answer to the next question, resulted in a number of charges.

The answer to the fifth question:

Investigation by the commission staff has resulted in the following charges:

1. Against Joseph Benoit Brien, John Edward Despard, Joseph Adolph Jonak and Morris Abraham Stein, jointly charged under The Securities Act for the furnishing of the false information in the June 14, 1963, Prudential prospectus and financial statements. They stand remanded to July 8, 1968.

2. Against Roman Lipowski, Robert James Bishop, Selwyn B. Jones, Adrian H. E. Rutherford, Ontario Metal Specialties Co. Ltd., and Prudential Finance Corporation Ltd., for trading without registration, contrary to The Securities Act, following March 31, 1966. All parties stand convicted, with Lipowski fined $500 or 60 days, Bishop $1,000 or 60 days, Rutherford and Jones each fined $100, while Prudential and Ontario Metal Specialties received suspended sentences.

3. Against Roman Lipowski for fraud under the criminal code involving trading in Prudential securities between September 30 and November 30, 1966. He was convicted and sentenced to six months definite and 12 months indefinite.

4. Against Joseph Benoit Brien under the criminal code, the grand jury having found a true bill on May 1, 1968, on some nine separate counts involving forgery, uttering, theft, and fraud in relation to the affairs of O'Brien Gold Mines and North American General Insurance, and the furnishing of a false finance statement in connection with Prudential to the trustee with intent to deceive the trustee. The trial date has not been fixed.

The answer to the sixth question:

An opinion was obtained from Osler, Hoskin and Harcourt in a letter to the chairman of the Ontario securities commission dated September 22, 1967. This opinion has been furnished to a group representing the Prudential creditors.

The Metropolitan Trust Company took action on behalf of the *cestui que* trusts commencing shortly before November 11, 1966, after Prudential had failed to meet the interest payments for the first time. It insisted on investigation and as a result the serious financial position of the company became public.

The March 8, 1967, report of Clarkson, Gordon and Co. details, commencing on page 26, the deficiencies in the trust indentures. The standards are not considered adequate. Minimum standards are now to be found in part IX of the regulations to The Securities Act, 1966.

The answer to the seventh question:

This is reviewed in the opinion of Osler, Hoskin and Harcourt to which I have already referred.

The answer to the eight question:

These are detailed in the March 8, 1967, report of Clarkson, Gordon and Co., a copy of which has already been filed in the House. See in particular pages 9 and 10 of that report.

Mr. J. H. White (London South): Mr. Speaker, on a point of order. For the edification of the private members who will be debating Resolution No. 39 on page 6—and perhaps I should read that.

By the hon. member for High Park:

RESOLVED:

That in the opinion of this House it should be a criminal offence to tap or listen in on any private telephone, except with an authorization signed by a judge of the Supreme Court.

Now, my question is this: Is this resolution intended to include an extension telephone? Is it or is it not?

Mr. Speaker: I really had not thought that the heat was quite that bad in here.

Orders of the day.

Clerk of the House: The 12th order, the House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF FINANCIAL AND COMMERCIAL AFFAIRS

(Continued)

On vote 701:

Mr. Chairman: The member for High Park.

Mr. M. Shulman (High Park): Mr. Chairman, I am going to digress from my speech for a few moments to take care of the various interjections and requests that kept coming from different members last night in the excitement of the moment. To begin with, I would like to draw to your attention, today's Toronto *Telegram*, which reports the proceedings of last night and which reads as follows:

> Dr. Shulman did not reply to a challenge from George Ben, Liberal Toronto Humber, a lawyer, to repeat some of his comments outside of the Legislature where he would have no protection against legal action.

May I say first of all that I do not think that the hon. member for Humber (Mr. Ben) made any such challenge, and the *Telegram* has its usual inaccuracy. However, if there is any such challenge from any member, I would be delighted to repeat this speech in total outside of the Legislature, or any part of it that anyone may request. May I say to the representatives of the *Telegram* if they are here today perhaps they will be kind enough to correct that error?

The hon. member for Humber did make certain requests. I referred last night to the various large profits made in automobile insurance and I referred to the newspaper report in the *Telegram* and *Financial Post*—the representative for Humber, I am sorry, is not here today. The member asked if I would produce the figures and the facts and I have them here and for the record, I will read this in, it being very brief.

From the Toronto *Telegram* of April 17, 1968, the Heading is "Big Profit Gain In Auto Insurance."

Interjections by hon. members.

Mr. Shulman: They are accurate when they are not reporting speeches apparently. I quote:

> Canada's fire and automobile insurance companies moved strongly into the black in 1967, to almost triple underwriting profits as compared to 1966. Total auto and fire profits reached $47.6 million in 1967, compared to $19 million in the previous year. There were impressive gains in the auto insurance business, where the number of accidents and resultant claims payment declined.
>
> The total written premiums taken in by the 400 insurance companies in Canada licenced to transact general insurance business reached a new high of $1.7 billion in 1967, compared to $1.5 billion in 1966. A total of $1.1 billion was paid out in claims and adjusting expenses. The underwriting profit figures represent that amount left over after claims, operating expenses and reserves are deducted, and they do not include income earned from investment.

This was the point that the hon. member for Humber did not understand, and I am glad to set this straight.

> In the auto insurance business, net premiums earned were $728 million, the industry paid out $469 million in claims and adjusting expenses.
>
> The figures for 1966 were premiums of $633 million, and claims of $369 million. The earn-loss ratio—net premiums divided by expenses—arrive at a percentage of 64.4 per cent in 1967. The industry considers 67 per cent satisfactory.

There is another article here from the *Financial Post*, two in fact, but I will not waste the time of the House reading them. The amounts are the same and I have copies here for the hon. member for Humber that he may read at his leisure and become educated.

The other matter—

Mr. D. C. MacDonald (York South): Informed—not necessarily educated.

Mr. Shulman: Informed, not educated, my leader informs me.

The other matter to which there was some reference last night from the hon. House leader (Mr. Rowntree) was to the effect that this matter of auto insurance should not be brought up at all under these estimates and perhaps should be discussed at some other time. Well, perhaps I should inform the House leader, through you, sir, that I do understand that the superintendent of insurance comes under the particular Minister, and I do believe that he has some responsibility as far as automobile insurance goes.

I think that all in the House will agree that the Minister who is responsible for the department should bring in legislation which will change and improve the auto insurance industry, and for that reason I am dealing only with this one subject in my lead-off address.

I am going to digress a little further for just a few minutes. I had not really intended to use any of this material. I had only three minutes to go last night, but for some reason I was not able to complete my speech, and since I have had an evening to reflect, a number of other ideas have come to my head and I feel that perhaps I should bring them to the attention of the government since they have been so kind as to give me this extra opportunity.

The matter which I feel I should bring to your attention, and I would like to thank the House leader for his consideration in allowing me some time to arrange this, is the matter of auto insurance, as to whether it should be worked out with the insurance company, or should the government move on their own.

I am going to bring to your attention certain material which would lead one very strongly to suspect that we, perhaps, are not able to deal with the auto insurance companies and the government is going to have to move alone.

The auto insurance companies have organs and magazines in which they print their innermost thoughts and they are quite fascinating.

To digress just for a moment, there is one here, the news bulletin for the members of the Ontario insurance agents association. There is quite an interesting article on the front page about these terrible members of that socialist party, the NDP, who are suggesting that we improve the insurance business, and they very strongly urge—

Ah! He is here! I am delighted, the hon. member for Humber has arrived. I will send the facts over to him.

Mr. P. D. Lawlor (Lakeshore): That is not what he is interested in.

Mr. Shulman: On the front page of the news bulletin for the members of the Ontario insurance agents association is an article extolling the agents to get out and fight for the two good old parties, because they are going to preserve things as they are now in auto insurance. They have this great line here which has intrigued me mightily:

> Sign up now. This is for the battle of the ideology against the NDP. Sign up now, then offer your local Conservative or Liberal candidate the facilities of our ghost writer's committee material that completely refutes the planned NDP programme. Do it now.

I have been wondering for some time where the members of the other side of the House got their speeches. I am rather pleased to have found out this interesting revelation and—

An hon. member: We signed up immediately.

Mr. Shulman: —I have taken the trouble to sign up so that next time they read one of those speeches, I will have a copy in front of me so I can follow it more closely, Mr. Chairman.

Well now, the insurance companies have another bulletin. This is called "The All-Canada Insurance Bulletin" and I was very flattered, Mr. Chairman, I managed to make the front page of "The All-Canada Insurance Bulletin".

After I put my little ad in the paper asking people who had had some problems with auto insurance to write to me, I received a lovely letter from the All-Canada insurance federation saying that they knew I was very busy and did not have time to look into all these complaints, and they would be happy to look into them for me. If I would forward the complaints to them, they would look into them and the would supply the truth, the whole truth and nothing but the truth, so help them. I thought that was a very kind and fair offer of them, so I accepted—

Hon. A. Grossman (Minister of Correctional Services): The hon. member can eliminate the corn. The gestures do not show in *Hansard*.

Mr. Shulman: Thank you, Mr. Minister.

Mr. MacDonald: From that Minister, talk of corn is a little difficult to take!

Mr. Shulman: Mr. Chairman, I am always glad to accept advice on a matter in which a member is expert.

Hon. Mr. Grossman: The hon. member is killing us.

Mr. Shulman: Now because the All-Canada insurance federation is fairly knowing, I should think, in the matter of insurance, I was happy to accept their offer. I forwarded to them, approximately 100 odd of the complaints that had been sent to me, with the request that they look into them. I did not send the ones where persons had asked that their names be protected. Of course, I did not send the ones which are so clearcut, or where I had already had a reply from an insurance company in writing to the person involved. I just sent them approximately 100.

And I was rather amazed, pleased, horrified—to receive this bulletin. It reads: "Dr. Shulman Barks Up the Wrong Tree."

Mr. G. Ben (Humber): Point of order, Mr. Chairman.

I think this is an appropriate case to talk about barking up the wrong tree and I rise on a point of order.

In my absence, the hon. gentleman who just sat down led this House to believe that he had, in handing me a piece of paper here given an answer to the question that was posed to him yesterday. He has led this House to believe that the answer is in this paper.

Mr. MacDonald: He read it.

Mr. Ben: If you remember, last night, the hon. member pointed out that last year the automobile insurance companies had taken in, in premiums, the sum of $700 million and some odd. I have the exact figure here—$728 million. And that they had paid out in premiums the sum of $469 million, implying that there was a profit of the difference, of $259 million, as the hon. member for York South had misled this House into believing when he made his Throne speech.

Mr. J. Renwick (Riverdale): He did not imply that at all.

Mr. Chairman, on a point of order.

Interjections by hon. members.

Mr. Ben: I am up on a point of order.

Mr. Chairman: The member has the floor on a point of order.

Mr. Ben: I asked the hon. member to produce to me the cost of operating these insurance companies, because I pointed out that the difference—it works out to $259 million, if I did not mention that figure—but the difference was not profit. He tried to lead this House to believe that it was profit and he said he would produce the figures.

He has produced figures which indicate that he is wrong. This statement which he has handed to me, alleging to be an answer, points out that last year, the insurance companies, both fire and auto, wrote insurance to the amount of $1.7 billion and that their total profit on that, both fire and accident, was $47.6 million.

Their profit was no way near what the hon. member for High Park tried to lead this House to believe the profit was and what the hon. member for York South in his Throne speech, who gave exactly the same figures, tried to lead the House to believe.

Because, Mr. Chairman, if I may, when the hon. member for York South produced those figures, I spent two days in the library trying to find out where the difference of the figures was and I could not find them, either in national statistics or in the statistics of this government.

That is why I challenged the member for High Park to produce those figures, knowing he could not produce them.

Mr. Chairman: Order! Order please!

Would the member for Humber please inform the Chairman what is the point of order?

Mr. Ben: He has misled the House in trying to imply that the difference between amounts taken in on premiums and the amounts paid out in losses represents a profit.

He alleged that yesterday he would give me the answer of what the cost of operating these insurance companies was. He has failed to do so but he made a big bank here of sending me the answer which is not an answer. I will table this, Mr. Chairman, as proof that it is not an answer to the question put.

Mr. Chairman: In the opinion of the member for Humber he has not received a satisfactory answer as suggested the member for High Park would provide. I do not think this is a point of order, whether or not the answer is satisfactory, proper, true or correct.

The member for Humber has received an answer, period.

Mr. J. Renwick: Mr. Chairman, I cannot reply to that point of order because it was not one, but I would like to raise a point of order.

The member for Humber was not here when the member for High Park replied. The least he could do would be wait until he had an opportunity to see in *Hansard* exactly what the member for High Park had said before he chooses to waste the time of the House on a hot July afternoon.

An hon. member: Well, it is certainly cool over here.

Mr. Chairman: Order!

I think perhaps the member for Riverdale has a point. The member for High Park however, has the floor.

Mr. Shulman: Thank you, Mr. Chairman.

Just so there will be no misunderstanding, I am sorry the member for Humber was not

here, but I would like to re-read one paragraph here, just to—

Mr. Chairman: No, this would constitute repetition, in the opinion of the Chairman, and it is not necessary.

Mr. Shulman: I will just say this matter has already been read into the record and if the member for Humber would be so kind as to read it, I would be very grateful.

Mr. Chairman: That would be the proper procedure.

Mr. Shulman: All right. Now to come back to the "All-Canada Insurance Bulletin", front page, heading "Dr. Shulman Barks Up the Wrong Tree":

> The old adage, it pays to advertise does not always work. Take the stand of newly elected Ontario MPP, Dr. Morton Shulman, for instance.
>
> Dr. Shulman, an NDP member of the Ontario Legislature, placed the above ad in two of Toronto's newspapers over a two-week period.

They are a little wrong. It was three newspapers for one week:

> It was reported at various times that he was receiving anywhere up to 30 letters a day of complaints, but this just is not so. At All-Canada insurance federation's request, Dr. Shulman had passed along all of the complaints to All-Canada's Toronto office and they total only 75. At present, J. B. Humphries, Ontario manager of All-Canada is investigating the legitimacy of the complaints.

And here is the killer.

> "I have not found a really serious complaint yet," Mr. Humphries said. In fact, many people are more angry with the lawyers than with their insurance companies.

And so on, and so on.

Mr. Chairman, the All-Canada insurance federation was kind enough to look into these complaints and they sent me back their comments on each of them. I would like just—I do not want to take a great deal of time—but just take five minutes to tell you a few of the complaints which they found were not serious at all.

The reason I am doing this, let me say it again, for the Minister, is to illustrate the unreliability of the insurance industry and why it is so essential for the Minister to bring down proper legislation to control this particular industry.

Here is one—they are quite brief:

> Mr. and Mrs. R. A. Marquese—this is on the stationery of the All-Canada insurance federation—46 Roosevelt Drive, Thornhill, have collected a number of complaints against State Farm, chief of which is their unwillingness to pay more than half of the cost of an accident in which Mrs. Marquese's automobile was struck broadside by a car approaching from a side street.
>
> Although the other driver was charged with failure to yield the right of way, State Farm decided that Mrs. Marquese was partly at fault and therefore refused to pay the full amount. Mr. and Mrs. Marquese are dissatisfied.

Here are the comments of State Farm:

> Our claim number 60194578—third party claim. Our insured is Mr. L. D. McBean.
>
> There has been considerable correspondence, on this case. Briefly, this accident involved two vehicles, one driven by our insured and the other by Mrs. Marquese. There were no witnesses other than Mr. McBean's wife and the drivers tell different stories.
>
> Based on the facts in our file we offered a 50-50 settlement. Marquese feels strongly that no blame attaches to them. However, it is true McBean is facing a failure to yield charge on March 27, Court 30, Old City Hall.
>
> We can do nothing until after this case has been tried. If the transcript provides different information than that provided by McBean we will then re-negotiate with Marquese. Our claims people have been asked to review this information.

Here is a story where a car is travelling along a highway, another car comes out without stopping, bangs into the side of it. The insurance company says, "Well, we are half responsible."

Here is another one. Mrs. B. Brittain, 215 Evelyn Avenue, Toronto, says she suffered severe whiplash as the result of an accident that occurred when another driver ran a red light. The other driver was insured by C. E. Hastings and Company, through its agent, but the company has refused to compensate Mrs. Brittain for the loss of work or medical expenses involved.

Answer form the company, C. E. Hasting and Co.:

This accident happened four years ago. Mrs. Brittain was a passenger in a car which was struck from the rear. The adjusters tried

to settle with Mrs. Brittain, but she was not satisfied with their offer. She then consulted her lawyer.

This is another case where a lawyer omitted to issue a writ within the 12-month period, and the claim was prescribed, therefore, we do not have to pay anything.

It is not a serious complaint, according to the insurance federation.

Here is a case where they admit the liability. They admit their insured was wrong, but the lawyer, for whatever reason, did not get the claim in within the 12 months. Too bad.

That is those insurance companies for you. They should have a little sense of moral justice. Just a little—when they know they are wrong, to do the correct thing.

Here is another one. Mr. Harry Hackett, 655 Hazelwood Avenue, Detroit, Michigan has a complaint against Shaw and Begg and their agent, Wellington Fire Insurance Company in Hamilton. It seems Mr. Hackett was hit by an automobile insured by Shaw and Begg causing him several weeks of hospitalization and some months of therapy treatment while visiting Canada.

During his stay in hospital, the insurance company agent visited him, and told him not to worry about submitting a claim until he was feeling well enough to travel.

When he was finally well enough to travel the company told him the statute of limitations in Canada had expired, and he could not collect on his claim. Mr. Hackett had to pay out $1,000 in medical expenses.

The insurance companies use this gimmick, the statute of limitations. Well, I screamed loud and long in this case, and so we got a lovely letter from All-Canada insurance federation. The company officials report that while they have no legal obligations in respect of Mr. Hackett's claim, they feel there may be a moral obligation. So although the claim took place five years ago in consideration of our raising this matter, they reopend the file and stated they would look into it sympathetically. Nothing was done, but they did look sympathetically into the file, and this is of great satisfaction to Mr. Hackett.

Hon. Mr. Grossman: Who signed the papers? Was James Renwick their lawyer?

Mr. Shulman: Shaw and Begg. Their agent is the Wellington Fire Insurance Company.

Here is one from All-State. This is my favorite company, All-State. At least the other companies try and hide things a little, but All-State come out and stand on the wrong side fair and square. They do not attempt to hide things. Here is one of their classics:

Re: All-State Automobile Policy 59245253

Miss Isobel Shean

Dear Dr. Shulman:

Your letter of February 13 included the following item: Mrs. Isobel Shean, 191 Kenilworth Avenue, Toronto 8, complained that during the recent storm, a tree limb caused $200 damage to her car, and despite being covered for this type of accident All-State refused to pay for the claim.

Mrs. Shean had purchased specified perils coverage for damage to her car, rather than the broader comprehensive coverage which was available to her. Comprehensive coverage would have paid for this damage, but would have required an additional $4 premium. The specified perils coverage means just that. The specific item covered by the policy included windstorm. If this loss had occurred due to wind, if the limb had fallen because of a heavy wind, we would have paid the damage, but it is our belief that the limb fell because there was too much ice on the tree branch. Our adjusters went to considerable trouble to determine if there was a heavy wind at that moment. Unfortunately the factors present during an ice storm rarely involve severe winds. We took no pleasure in denying payment to our policy holder, but only protect Mrs. Shean for the coverage she elected to purchase. This case does not represent a legitmate complaint.

I think that is my favourite. I am sort of curious as to how, three weeks after, they went back and decided that at that crucial moment the wind was not blowing.

Hon. Mr. Grossman: Well, it was not—

Mr. Shulman: We heard the report from the insurance company. I thank the Minister of Reform Institutions.

Hon. Mr. Grossman: Correctional Services.

Mr. Shulman: Ah, he has moved a little bit.

Hon. Mr. Grossman: The hon. member has not moved at all.

Mr. Shulman: A little bit of injustice. Well, I have dozens. There is no use going on.

If any of the members want details I would be glad to supply them.

Hon. Mr. Grossman: The last one was not a good example.

Mr. Shulman: Since I have been encouraged, I shall read one or two more, just to point out the variety we have here.

Interjections by hon. members.

Mr. Shulman: I did not realize the Conservative backbenchers were so interested. I think perhaps I should give them one or two more, Mr. Chairman.

Mr. Chairman: Order, please!

The member for High Park, I believe, just finished reading certain letters from insurance companies pertaining to certain things. Last evening the member read several letters from individuals, I believe, in response to letters he had solicited through a newspaper advertisement, of which there were some 300. I believe that the member read into the records some six, seven or eight of them, by his own words, last night. They were all the same, therefore, it is the opinion of the chair that any further reading of letters from any of these 300 individuals would be repetitious. I suggest to the member that we have had enough of them. He has made his point.

Mr. Shulman: I will come to those 300 shortly, but now I am reading insurance company letters, and they have been carefully chosen each to give a specific and different type of example. If you will notice the ones I have read so far, there has been no repetition, because each was a specific, different type of auto insurance coverage.

Mr. Chairman: Is the member proceeding to read letters from insurance companies?

Mr. Shulman: These are all from insurance companies. None from individuals. They all represent a different type of problem, but out of solicitation for your furrowed brow, I will stop there. Let me say—

Mr. E. A. Winkler (Grey South): Not at all, go on.

Mr. Chairman: Order!

Mr. Shulman: The member for Grey South is interested and wants me to continue, Mr. Chairman.

Mr. Chairman: Order!

The Chairman, I would say to the member for High Park, is only trying to be fair to all members of the House, and if in fact they were letters from the insurance companies it was not my intention to rule them out of order. I thought he was reading from individuals again.

Mr. Shulman: I will summarize them all in 60 seconds, Mr. Chairman. These are letters from insurance companies. There are 30 or 40 letters here, each of which represents a flagrant abuse of insurance in the insurance companies' own words. These are not one-sided complaints. These are complaints that have been received by me and forwarded to the All-Canada insurance federation. This is their reply that I have been reading today, and the insurance companies are condemned in their own words.

However, there will be further opportunities, I am sure, to read some of these letters to the interested member, so I will return to my speech of last night and continue where I left off. But let me stress the point I was trying to make, through you, sir, to the Minister. The reason I am stressing this is the insurance companies and the senior officials in those companies are so blinded by the threat which they feel has been mounted against them from so many sources—all the way from the NDP at one end to the President of the United States at the other—that they are reacting blindly and rejecting what is obvious and simple justice. For that reason I suggest to you, Mr. Chairman, and through you to the Minister, that it is very important that the legislation which we need, be framed in the department, and not allow the insurance companies to take half measures in an effort to put off—for them—the evil day when we are going to have justice in auto insurance in this province.

Last night I was discussing the income of the insurance companies. I want to be fair and I do not want to suggest that all the letters I received were critical of insurance companies. There were eight which I received which were very laudatory to the insurance companies. I think in all fairness I should mention those. It would be a gross injustice to the insurance industry to suggest all the letters were addressed against them. Eight letters spoke very highly of the present system of insuring. They included letters from the Index Card Company, Mother Parker's Food, and Bell and Peters Estate Planning. Here is one typical letter praising the insurance industry, and I think to give you an example of how some people are fairly

treated, I should read this in all honesty and and in all fairness:

> Dear Dr. Shulman:
>
> I thought you would be interested in the fact that all my friends and myself have been more than fairly treated by auto insurance companies over the years.
>
> Yours sincerely,
> (*signed*)
> Senator Joseph A. Sullivan,
> MB, FRSM Eng., FRCS.

It is encouraging to know that at least the Senators of this country and their friends are receiving fair treatment. This does make one feel good.

The pattern tends to bear out what Professor Linden documented in his report of 1965: "There is a higher average tort recovery in the cases involving people in the higher income brackets. . . ." I guess the Senator had spoken to him also.

The fact remains, however, that unfortunately most of us are not yet Senators and the average person does not receive adequate compensation for his losses. As Professor Linden said, only 28 per cent of the people interviewed in his study received 100 per cent recovery of their economic losses. And of the total persons injured, in the county of York and forming Professor Linden's example, he found that 54 per cent received nothing by way of tort compensation. Professor Linden concluded from his study that:

> The present tort system does not provide full economic compensation for people insured in automobile accidents. It also demonstrates that many of those who do recover, receive only a portion of their losses.

On the same subject, Professor Linden goes on to say:

> The tort system fails to provide anywhere near full economic recovery for all of those suffering loss. The tort system appears to operate best in the minor injury cases, worse in the serious cases, and worst of all in the fatal cases. Thus, where full compensation is most needed, it is less likely to be forthcoming.

A case might be made for the insurance industry despite the fact that its primary objective of protective insurance is not being fulfilled, on the grounds that as a private business it is generally run smoothly, calmly, economically, and with greater efficiency than the bureaucracy and red tape of a government agency could provide.

Sadly, however, this is not the case in the insurance industry. Their operating expenses for 1966 were running at $208 million per year This figure represents a whopping 33 per cent of the revenues collected by insurance companies. Thus, almost one-third of every dollar paid by an insured goes into oiling the gargantuan, outmoded and inefficient machine, while only a portion of the remainder is grudgingly paid out in claims. The expenses include an advertising budget aimed at collaring the preferred risks in a keenly competitive field where apparently too few preferred risks exist. It is also paid out to detectives who spy on claimants with the fond hope of proving that the claim is based on a fabrication of the facts. It goes to pay adjustors, who we may conclude are remunerated for their ability to beat down the claims of injured parties.

Where it does not go is to the wife of the deceased breadwinner, the driver of an automobile who depends upon his vehicle as a source of livelihood and is unable to have his automobile repaired because of lack of funds. It does not go to the driver who through a minor error in judgment is found negligent despite the fact in 1968, the concept of negligence, other than gross negligence, is no longer a valid test. It does not go to the people who have written me letters.

Time magazine and the *Wall Street Journal*, which can hardly be accused of socialist bias, have recognized the inherent weakness of the present system and have come to consider the liability without fault system as an alternative. Even President Johnson in his speech on the state of the union mentioned the state of the auto insurance industry as one of the serious problems facing that country.

Time's essay, dated January 26, 1968 was written under the headline, "The Business with 103 Million Unsatisfied Customers."

The Wall Street Journal ran its story on January 7, 1967, under the banner, "Insurance Innovation." "A Canadian province finds a way to slash auto crash litigation—compulsory 'no fault' policies sold by Saskatchewan pay all victims automatically." That is from the *Wall Street Journal*, I pass on to the Minister of Trade and Development.

Hon. S. J. Randall (Minister of Trade and Development): They are trying to get rid of it.

Mr. Shulman: They are trying to weaken it. The present reactionary government has tried to weaken it, but so far has not succeeded in getting rid of it. If the Liberals are there for another session—

Hon. Mr. Randall: Mr. Chairman, I wonder if the hon. member would permit a question?

Mr. Shulman: I would be glad to.

Hon. Mr. Randall: The member suggested it cost 33 cents out of every dollar to operate the insurance companies. He is a professional man operating an office and I presume he has a secretary, he drives an automobile and he has expenses to get his bills collected. I do not think he could operate for 33 cents on the dollar.

Mr. Shulman: I am a little disturbed by the Minister's question because I operate on considerably less than 33 cents on the dollar, and I suddenly have a horrible vision of how much his department must be operating on. I will be very interested to look into his estimates again.

Hon. Mr. Randall: Well, just let me suggest this, I have run a number of businesses and if we made 20 per cent before taxes I thought we did a good job. And I do not think there are very many businesses can operate for less than 33 cents on the dollar.

Mr. Shulman: Well, I have had some minor experience in business and I would be happy to offer my talents to the hon. Minister in his business and perhaps between us we could form a very excellent partnership and would be making more money.

Hon. Mr. Randall: The member has a deal; his money and my brains.

Mr. Shulman: And I would be glad to earn it so the Minister could spend it.

Hon. Mr. Randall: The member can put up the bucks.

Mr. Shulman: Okay, the Minister has a deal. To continue, we all know—except perhaps the Minister responsible—that the answer is, of course, compensation without fault; with payment made regardless of who caused the accident. Compensation without fault, because in most cases fault is difficult to establish; without fault because regardless of tort liability the human suffering endured in most cases far outweighs any reasonable punishment for fault; compensation without fault because costs of operating the scheme are cheaper than the present system; compensation without fault because the administration of justice is threatened by the burden presently placed upon it; compensation without fault because instead of paying out a mere 67 cents on every dollar to accident victims, the scheme, as in Saskatchewan, would pay out 87 cents; compensation without fault because the people of this province, realizing the shortcomings of the present system, demand it.

And—let me stress—a compensation without fault system run by this government so as to eliminate waste, advertising expense, and the huge profits of the insurance companies. Last year they saved some $46 million—that was without reserve—and after all their huge expenses.

Hon. Mr. Randall: Does the member recognize Saskatchewan as a—

Mr. Shulman: Yes, that is why I am recommending it.

Hon. Mr. Randall: If you did not join their insurance company, you did not get insurance?

Mr. Shulman: Right!

Hon. Mr. Randall: That is a closed corporation.

Mr. Shulman: Good, sometimes there is merit to that.

Hon. Mr. Randall: Look what has happaned to them since, they have had to raise all their rates.

Mr. Shulman: They are still cheaper than here. Since the Minister and I are having a dialogue, Mr. Chairman, I would be curious, when he has an opportunity, if he would give us his views on the Hydro.

Hon. Mr. Randall: No, I would just like to—

Mr. Shulman: Now, how could the scheme be financed? The scheme could be financed by adding two cents tax to each gallon of gas purchased. This would mean that an Ontario resident getting 12 miles to the gallon and driving 15,000 miles—

Hon. J. R. Simonett (Minister of Energy and Resources Management): That was in the paper this morning.

Hon. Mr. Randall: That was in the *Globe and Mail.*

Mr. Shulman: You did not read that in the *Telegram* at least.

This would mean that in Ontario a resident getting 12 miles to the gallon and driving 15,000 miles per year would pay $25 as his share of the insurance fund. This is, let me

say, bending over backwards, the average person gets more than 12 miles to the gallon and the average person does not drive 15,000 miles a year. The second source of revenue would be a $10 insurance charge upon registration for renewal of licence. And finally, a surcharge of $25 would be levied against anyone involved in an accident, the result of which was criminal or quasi-criminal charges being laid and a conviction registered.

Hon. Mr. Randall: Your northern Ontario members would never stand for that.

Mr. J. E. Stokes (Thunder Bay): They would if they were getting something for it.

Mr. Shulman: I think the northern Ontario members, who will speak for themselves very shortly, will be delighted to pay that two cents instead of the hundreds of dollars they pay for insurance coverage right now.

Mr. E. W. Martel (Sudbury East): I am a northern Ontario member and I took a great part in the debate on the increase in gas and I submitted questions to the—

Mr. Chairman: Order! Is the member on a point or order?

Mr. Martel: Yes, I was getting in on this dialogue with the—

Mr. R. F. Nixon (Leader of the Opposition): Well, Mr. Chairman, on a point of order, unless the hon. member is rising on one, surely since the hon. member for High Park has taken his seat, his contribution is completed and we can begin with the first vote.

Mr. Shulman: Mr. Chairman, the member rose on a point of order and, if it is not a point of order, I would like to continue.

Mr. Chairman: Continue please!

Interjections by hon. members.

Mr. Shulman: Of course, the proper response to drivers whose driving record is so bad it is a constant danger to public safety is to take away their licence; not as is done now, by having the insurance companies tax them into submission. The advantages of this system are immediate.

Mr. Ben: Your party will have to try for no extra premiums.

Mr. Shulman: I have just said exactly the opposite.

Mr. Ben: That is not what he said.

Mr. Chairman: Order please!

Mr. Shulman: Mr. Chairman, I wish the members would listen. I am glad to have their heckling and their contributions but I would appreciate it if they would heckle a little more accurately.

Mr. Chairman: Please give the member your full attention. Would you carry on?

Mr. Shulman: The advantages of this system are immediate. Distribution of the premiums is far more equitable over the population. Those who drive more, pay more. Those with more expensive cars consuming more fuel, pay more; and non-residents of the province buying gas in Ontario would contribute to the scheme.

The cost per driver is considerably less than existing costs. The reason that costs would be considerably lower than present rates is based on the inherent weakness of the present insurance system which I have spelled out today.

The cost of administration of the scheme would be miniscule in comparison to the fantastic cost of advertising and administering the existing system. Think of the $1 million to be spent this year by the All-Canada insurance federation alone just for public relations and advertising. This is not a company advertising for business, this is the All-Canada insurance federation just spending $1 million for lobbying against a modern insurance team. Where is it going? Up the flue! Gone!

There would also be a vast savings in legal fees and court time, and with all the side benefits of more police available for their proper functions instead of being tied up in the courts.

The people of this province have too long endured the vagaries and whims of the insurance industry. They have asked to be relieved of the burden of an out-of-date method of insurance carried for the benefit of the shareholders and employees of insurance companies. They have asked that we provide them with a meaningful economical and humane system of insurance, and as their representatives we cannot ignore their request.

Such a system is possible now. If you, the government, do not provide such a system during the life of this Legislature, I can promise you that the next election will be fought on this issue, because we are prepared to provide such a plan. If you do not bring in a proper insurance plan, I predict you will be swept away by the people who are fed

up with exploitation by the insurance companies.

One final word in conclusion. There is a piece of legislation which has been slowly marching toward us which will allow compensation without fault insurance in this province, and this, Mr. Chairman, is not the answer. What we have to have is universal compensation without fault insurance because, otherwise, if the insurance companies are allowed to stave off the time that we have proper coverage with a bill such as this where they can say "well it was available, you could have bought it, too bad you did not"—all this is just more window dressing. That bill does not go one-tenth of the way toward solving the problem. Sure, a few people will take advantage, but what we need is protection for everyone in this province and we expect this government to provide it.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Well, Mr. Chairman, I would like to comment on some of the matters mentioned by members of the Opposition.

First, the hon. member for York Centre (Mr. Deacon) expressed the hope that some information would be given with respect to the actuarial study being carried out by Mr. Allen L. Mayerson.

Mr. Mayerson, as I mentioned last year in the House, was commissioned by 10 Canadian provinces to do an actuarial study with the purpose of reporting on the adequacy and fairness of the present statistical plan as a means for establishing equitable automobile premiums in Canada.

For the information of the House, Mr. Mayerson is regarded as being one of the top actuaries in the United States.

Though his final report is not expected until sometime in the fall, I would like to refer briefly to comments made by him in a recent interim report.

He stated:

> Our preliminary work reveals a fundamentally well-founded, well-organized system for collecting statistics and using them to make automobile insurance rates in the nine Canadian provinces where private insurers operate.
>
> We believe the system is sound, and find no evidence to indicate that Canadian policyholders are, in any way, being victimized by the use of improper statistical or actuarial techniques.

As a matter of further interest, Mr. Mayerson noted that the "loss development factor," used to adjust the outstanding claims as reported, to the anticipated ultimate loss payments, had been inadequate in the policy years 1962 and 1963.

This resulted in the average claim in 1963 being underestimated by as much as 10 per cent. The result of this underestimate has been to indicate a lower premium level in the subsequent year than was actually justified.

Mr. Mayerson concluded that a re-examination of the "loss experience" in the development of claims was therefore indicated.

The hon member for High Park has dealt at length with automobile insurance cases and suggested that any negative aspect could be remedied by introducing a system of compensation without fault.

He has offered, as a curative, a socialist panacea for the bargain-basement price of $35 a year for the average driver.

Frequent reference has been made, as it is every year by the socialist party, to The Saskatchewan Automobile Accident Insurance Act.

The plan which functions as a result of this Act is held out as the answer to all automobile insurance problems. Without going into a lot of detail, the plan's basic limits include a $35,000 maximum on liability and a $200 deductible mandatory on first party coverage. Basic coverage is compulsory, and premiums are paid when the driver obtains his licence.

However, I seldom hear reference from the socialists to the fact that premium income falls far short of meeting claims and expenses, and in 1965-66 alone the people of Saskatchewan, through their taxes, had to underwrite a deficit of almost $1,000,000.

Mr. MacDonald: That is not true.

Hon. Mr. Rowntree: Oh well now, I sat here quietly listening and not interrupting you and I expect the same courtesy.

Mr. MacDonald: I just said it was not true.

Hon. Mr. Rowntree: That is all right. Do you want me to continue?

I think that it should also be mentioned that it is incumbent on the individual in Saskatchewan, if he wants higher liability limits and more satisfactory first party protection, to buy supplementary coverage.

As far as Ontario is concerned, the final report of the select committee on automobile

insurance recommended that compensation without fault "be made an integral and mandatory part of the standard policy sold in the province of Ontario."

As I am sure the hon member for High Park must be aware, a provision to meet the intent of this recommendation will become standard in Ontario and the rest of Canada on January 1, 1969.

Accidents benefits without fault, as proposed in the Ontario standard policy, differ in three important ways from those included in the compulsory coverage of Saskatchewan.

1. The purchase of accident benefits under the Ontario policy will be entirely voluntary.

2. Whereas Saskatchewan lists a rigid scale of benefits, varying amounts can be purchased in Ontario according to the desire of the indivdual involved.

The Saskatchewan scale includes: $10,000 plus $300 funeral expenses for one death; $4,000 for dismemberment; $2,000 for expenses not covered under any other programme; a maximum benefit for total disability of $25 a week for 104 weeks.

3. The Saskatchewan plan provides coverage to pedestrians. The proposed Ontario policy does not, as a basic requirement, though pedestrians can be added by endorsement. The theory in Ontario is that a motorist might buy protection for his passengers, but would not wish to provide protection for the pedestrians when the motorist was not responsible for the accident.

Frequent references have been made to the Osgoode Hall study by Professor Allen Linden. I would like to quote the following statement made by Professor Linden with respect to the study. He said:

> The report of the Osgoode Hall study on compensation for victims of automobile accidents demonstrated that there was a tort recovery in only 42.9 per cent of the injury cases, but most of the uncompensated did not attempt to recover and many were guest passengers who were barred completely by statute from recovering in Ontario at that time.
>
> This has not stopped some people from citing this data in provinces where there is no absolute bar to actions by guest passengers. Nor has it prevented others from assailing the insurers because of the large uncompensated loss figures, without carefully studying the basis of the calculation and the law in force at the time.
>
> On the other side, defenders of the system sometimes point to the bright spots in the data, ignoring the fact that the delays are longer and the incidence of recovery is less frequent in the more serious cases.
>
> Those who still wish to destroy tort law and those who want to keep it inviolate are now deadlocked.

Now, Mr. Chairman, I wanted to make a reference to the comments of the hon. member for High Park and the 300 letters. I think that it was common knowledge, and somewhat notorious about the placing of the advertisements inviting the complainants to come forward with their complaints. Now, in Ontario, there are estimated to be at least over two million auto insurance contracts in effect, and I can only comment on the 300, taking that as a fair figure, without discounting it at all. Three hundred out of two million is pretty much of a decimal, minimal aspect of complaints to be recorded.

Mr. MacDonald: As *Time* magazine said, "103 million unsatisfied customers".

Hon. Mr. Rowntree: That is all very well. It is just a juicy phrase—that is all. In my own experience, and I have said it before and I will say it again, most business people in this province are decent, reputable and responsible, and that is the basis on which our society is founded. However, we can get along with the estimates, I presume—

Mr. MacDonald: Mr. Chairman, I am not going to engage in a propaganda exchange with the Minister, with him dismissing everything we say on car insurance as being socialist propaganda, and with me arguing that he is regurgitating the ghost writings of the insurance companies. But there is one factual point which I categorically deny, and I challenge the Minister to substantiate it.

I submit, as my latest proof the Liberal Cabinet Minister in the province of Saskatchewan when this regurgitation emerged a few months ago from some spokesman for the insurance industry. The Saskatchewan taxpayers have never, and will never, under the statute of the Saskatchewan car insurance, have to underwrite the car insurance programme. There may, in some year, be a deficit as they move to an increase in premiums as all insurance companies have experienced, but the increase in premiums will pick up that deficit.

But there has never been an occasion—and do not let this Minister or anybody else

play with the facts—there has never been an occasion in which the Saskatchewan taxpayer has had to underwrite it. This is a self-sustaining programme.

An hon. member: That is not true!

Mr. MacDonald: That is true, and your Liberal Cabinet minister has said so.

Mr. Chairman: Vote 701. The member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Chairman, in vote 701, I note a very large jump in the salaries this year. There was some brief mention made in the Minister's opening comments, but an increase from $135,000 in main office salaries to $309,000 would cause me to appreciate some greater explanation and detail on that and how it is made up.

Hon. Mr. Rowntree: In this department, as you will appreciate, there are three main divisions which are readily identifiable. There is the operation of the securities commission; the combined office of the registrar of loan and trust companies, and the office of the superintendent of insurance, and thirdly, the consumer protection division. There are a number of other areas which are included in the main office vote, the first vote currently before us. There is a substantial staff which has been established and is available to all of the three divisions of the department.

For instance, on April 1, 1967, there were 22 people, while as of April 1, 1968, there was an increase of 21, for a total of 43 members of the staff. The increases included an executive assistant to the Deputy Minister, the department solicitor, secretary to the solicitor, financial and accounting advisor, secretary to the financial and accounting advisor, financial research analyst, corporate counsel, librarian, one economist, and so on for a total of some 21.

Mr. Deacon: Mr. Chairman, I notice that there is also an increase in each of these three main departments of some size. They seem to have their own staff increases. I still cannot understand why it would be such a large amount in this department and in this year. Has it been found necessary to complement the work? There is no overlap occurring between the works of these three branches, and the department itself?

Hon. Mr. Rowntree: I do not think that there is.

Mr. Deacon: Mr. Chairman, the figure of research expense again is $200,000. Last year, I understand that that amount was invested to the extent of perhaps $50,000 in the mutual funds study which was expected to be completed by January, 1968.

There is also money on a mining study and the CANSEC study, the actuarial study I suppose that has to do with the investigation of insurance rates.

Could we have some report on where the money is going this year? It would be also very interesting this year to hear what progress was made in these areas last year, because we had expected them in last year's Budget debate, or departmental estimates to have been completed by this time.

Hon. Mr. Rowntree: The $200,000 is broken down as follows. The Ontario government, acting as banker in the federal-provincial cost-shared study of mutual funds and investment contracts, allowed $150,000.

Secondly, there is a feasibility study re CANSEC in the amount of $10,000; thirdly a financing of a mining company study, $10,000; and fourthly acutarial studies in the matter of automobile insurance, $20,000.

Public education material study $5,000; research grant to the constitutional study $2,500, and a research commodity market study of $2,500.

In connection with the federal-provincial shared study on mutual funds, Ontario is providing the administrative services for the study and will act as a banker in meeting day-to-day costs.

As in the 1967-68 fiscal year, Ontario will seek reimbursement of its banker liabilities from the federal government, 50 per cent of the total cost, as will all other provincial participants.

Ontario's actual cost will be 34.44 per cent of the 50 per cent of the total cost involved.

The breakdown for the other participating provinces is as follows. Manitoba's share would be 4.97 per cent; Newfoundland 1.56 per cent; Prince Edward Island 0.40 per cent; Nova Scotia 3.07 per cent; New Brunswick 2.28; Quebec 25.8; Saskatchewan 4.62; Alberta 7.48; and British Columbia 10.36.

Now a comment with respect to the mining committee. In July of 1967, the Ontario securities commission appointed a committee under the chairmanship of commissioner D. S. Beatty with the following terms of reference; to review the commissions underwriting,

vendor consideration, escrow, or pooling policies, and other matters related to the financing of unlisted mining exploration and development companies.

Secondly, the membership of the committee consisted of Mr. D. S. Beatty, as chairman, together with Mr. G. E. Grundy, Professor John Willis and Mr. J. F. McFarland of the commission, and Miss E. M. Brown and Miss J. Sabia, secretary of the administration became the committee staff.

Thirdly, the committee has concluded a series of public hearings held at such centres as Port Arthur, Fort William, Sault Ste Marie, Timmins, plus an extensive series of meetings at which representations were received from interested parties. Thse hearings commenced on August 9, 1967 with the last meeting having taken place on April 29, 1968.

Briefs and representations were received from many sources, submitted largely by Ontario residents, but also from persons as far away as Vancouver. During the course of these proceedings, it became obvious that it would be necessary to consider subjects outside the specific terms of reference.

The committee has completed a review of the facts and the submissions made to it, and they are in the process of formulating recommendations.

It is hoped that this report will be ready during the early fall.

Mr. Deacon: I am pleased to hear of the work of this mining committee, Mr. Chairman. I think it is very important that as soon as possible an alternative to primary distribution on the Toronto stock exchange be found so that we do not have the abuses and problems that have arisen from this practice in the past. I know the exchange itself, on the whole, will be very pleased to find a much better method of raising risk capital for our mining industry.

What progress has been made on CANSEC and is there any report as to the way that is developing? Is it developing in the form of co-operative interchange of prospectuses or a co-operative method of accepting the prospectus filed in other provinces, and having a standard that each province in effect will accept without having each one send in its own comments on a prospectus?

Hon. Mr. Rowntree: Mr. Chairman, it is not a matter which moves very rapidly, and particularly with the current political situation in the past six months. It has not been possible to move in some of these areas with the federal government. I think now that the air has been cleared we will be able to move along fairly rapidly

When the subject of CANSEC and what is involved with that subject matter was first raised, I had the view that a period of five or ten years might be required to get this type of thing established, but I have certainly revised my thinking on this.

I think that it is in the almost foreseeable future; in a matter of a year or so. I think in a couple of years it will be operative. So a good deal of thought has been given to this matter, and I think that the advantages of it are so obvious and patent that those involved in those jurisdictions, who have financial transactions within their compass, will be anxious to move this thing forward on a uniform basis, and simplify the procedures. I think that people in the financial field are entitled to a break by way of simplification and to avoid duplication of efforts.

Mr. Deacon: As I understand the concept, Mr. Chairman, CANSEC is working on a decentralized basis of co-operative acceptance of prospectuses rather than in the SEC concept of everybody having to go to Washington to get decisions. In this way, we can keep the actual dealing with prospectuses right here in the Ontario securities commission, rather than our having to deal with the securities commission in Ottawa, is that correct?

Hon. Mr. Rowntree: You have stated it accurately.

Mr. Deacon: Has the government recovered its last year's contribution to the mutual fund study?

Hon. Mr. Rowntree: Yes, there has been complete repayment from the other jurisdictions.

Mr. Deacon: The Minister did not state, but I think there was a release recently—which I do not have—of the names of the advisory committee of the department. You mentioned in your speech that it was a very low cost part of your operation, because these people were volunteers. Would you state their names or provide a list of their names for us?

Hon. Mr. Rowntree: Yes. The hon. Donald Fleming was the first chairman of that committee, and on his retirement he was succeeded by Mr. Donald A. McIntosh, QC. Other members of the committee are Charles

L. Gundy, Thomas A. M. Hutchison, David B. Mansur, J. H. Ratcliffe, Allyn Taylor of London and John R. M. Wilson.

Mr. Deacon: Is their function purely advisory? What sort of function do they have? How often do they meet? How are you co-operating or making use of this committee?

Hon. Mr. Rowntree: They do not meet every week but I think they meet about every six weeks and are available to advise with respect to any crises or matters that are in the offing. They try to keep us informed so we can take the best possible action.

Mr. Deacon: Mr. Chairman, I wonder if we might take advantage, even further, of this advisory type of committee and broaden its background and base, and have perhaps a representative of the labour union. I notice we have in here an urban development institute representative, and others from insurance, banking, law, and the investment community. Perhaps we could have this on a rotation basis so that we are able to have a continuing and more formalized contact with the public, and find ways of steadily improving the atmosphere between the financial community and the general public.

I do feel that one of the great problems in the past has been the feeling among the financial community that Queen's Park does not understand or does not pay attention to its needs. I think you made a great step forward when you established this committee, but maybe it could be even further utilized in the future.

Public education is a very important part of the operation of this department and I notice you have a small amount of money set aside for that. In what way is that money going to be used? What is the programme in public education? It seems like a very small amount to be spending when we need to have people much more aware of the steps they should take in investigating investments.

Hon. Mr. Rowntree: There have been two approaches to this matter of public education. I am glad to hear the hon. member take the position he has on this subject, because there can be no doubt of the need for better understanding by the public of both their rights and their responsibilities with respect to the market and the investment and purchase of securities.

We have included, in our first year, a series of four seminars largely directed to the subject of consumer protection. The idea behind the seminars was to get our staff out into the province and to experience just how we could develop and advance the question of education and the dissemination of information to the general public.

Tied in with that was the series of pamphlets, which have been written in layman's language, dealing with the consumer protection division, and also a pamphlet on securities.

At one point, a year ago, we thought that maybe 50,000 of these pamphlets would be the initial demand, but at the moment, within less than a year, there are over one million that have been distributed. There seems to be a good acceptance of this.

I think one of the great challenges that we must face immediately is to develop a method of contracting and advancing and developing this public education aspect.

We have learned a good deal from our seminars, and I hope that in this coming year we will possibly change the format of the seminars, and go to some other different cities and towns and develop a means of having a bank or a panel of competent persons who can be on call and go out with us to women's institutes or organizations which indicate and demonstrate an interest in what we are doing.

Mr. Deacon: Mr. Chairman, I wonder if the Minister could tell me if these seminars have been well attended or not well attended? Has it been easy to get good crowds in attendance?

Hon. Mr. Rowntree: At the last one, in Kingston, where the weather was ideal, just a couple of weeks ago, over 300 attended. When the first one was held, at the Lakehead, there were about 225 present. In Woodstock, there was just a shade under 200, and I think that was largely due to a heavy snowstorm the evening before, which I think interfered with the attendance of some of the people. At North Bay, at the third one, there were about 225 again.

Mr. Deacon: I am interested, Mr. Chairman, that there are as many as that turning up. I think it is important that we really hit the headlines with these affairs. Maybe if we had seminars headlined "How To Make a Million," we might find that the public's attention is very much attracted. They might also learn some of the pitfalls of most people who think they can make money and, as in the case of Prudential, for example, are not

aware that they should be getting a prospectus, and this—

Mr. Shulman: On a point of order, just for my enlightenment, will the member allow a question? I am just curious as to whether the member is suggesting that the government should recommend that "Anyone Can Make a Million" should be compulsory reading to all investors?

Mr. Deacon: Mr. Chairman, coming back to the matter. The public does seem to be quite ignorant of its rights and the available information that it is entitled to in order for it to be able to make a decision. It is amazing how few people recognize the true role of the securities commission.

We do not want government bodies telling us what securities are good and what securities are bad. But we want, though, to have full, true and plain disclosures. It is their obligation, if they are incapable themselves of understanding, to go to those who should know.

A lot of people think, for example, that the bank manager should know. Most bank managers do not know any more about securities than I know about lending money to people as a banker.

These are things that I hope this programme is helping to identify—that there are people who are qualified and can give them advice and others, who—lawyers, doctors, bankers—some are qualified, but a great many are not.

I have not seen copies of what the department has put out, I would appreciate getting some of this material. Had I been able to make contact with the Minister earlier regarding these matters, I would like to have seen what the Minister's programme involved, because it seems to me a very small amount for educating the public in this estimate.

Mr. Chairman: Vote 701, the member for High Park.

Mr. Shulman: Mr. Chairman, I was very intrigued by the remarks of the member for York Centre. Just briefly, I would like to suggest to the hon. Minister, through you, sir, that he not follow this advice too closely because if he will think back the bad advice on some stocks came, sad to say, from the brokers. There were no bank managers recommending the purchase of Windfall. I believe that if bank managers err in giving advice it is on the conservative side, and in protecting their clients' interests; but, sad to say, some brokers are very competent and some are not so competent, and the public rarely can tell the competent broker from the not so competent borker.

We have seen just today, in the charges laid by this government, that supposedly reputable brokers can have their hands in the till. We have seen a number of other instances where supposedly intelligent brokers can give absolutely wild advice in recommending stocks which a prudent trained person would never purchase. So perhaps one should not push the bank managers out of this business, or the doctors either, too completely.

I would like to ask the Minister under this particular vote—he mentioned yesterday that the matter of government insurance will be discussed somewhere in here—should it not come under vote 701, or would you prefer to discuss it at a later time?

Mr. Chairman: I think the Minister suggested, when he was making his opening remarks, that it would be at the end of the estimates.

Mr. Shulman: Fine. The other question I have: Does the unsatisfied judgment fund come under your jurisdiction whatsoever?

Hon. Mr. Rowntree: It is the motor vehicle accident claims fund and comes under Transport.

Mr. Chairman: Vote 701. The leader of the Opposition.

Mr. Nixon: Mr. Chairman, there have been one or two comments made this afternoon that I find interesting, and I would like to get some information from the Minister with regard to them.

The first has to do with bankers acting as advisers in the purchase of securities. I would presume that everyone is aware of the fact that bankers can take orders for securities. Do they come under the direction of the securities commission in any way? I would presume they would, surely, since they have this responsibility and their offices from one end of the province to the other?

Hon. Mr. Rowntree: I missed a couple of words.

Mr. Nixon: Specifically, I want to know if banks come under the securities commission in their function in advising and placing orders for their clients?

Hon. Mr. Rowntree: Not to my knowledge.

Mr. Nixon: It seems to me that this is quite a serious shortcoming.

There are many investors that do use the advice of their bankers, and use the facilities of the bank, in order to place their orders —buying and selling. There are instances that I have heard of where these orders have not been competently placed. I believe that it is the Minister's responsibility to see that some agency, probably the securities commission, has jurisdiction in this regard.

The banks, of course, come under federal jurisdiction, but the bankers are going to be advising and taking orders for the sale and the purchase of securities; they are not acting as bankers specifically, they are acting as brokers. I think that legislation that would put these people under the direction of the securities commission could be quite possible and legal.

There is a serious loophole here. I would like the Minister's view, but surely there is something better within the present system.

Just before I sit down, I would say that the member for High Park is probably right, they might err, if at all, in the conservative aspects of their advice. But I have heard of cases where there was not an error in this regard, it was an error of incompetence in not placing the order when it was supopsed to be placed.

Mr. Chairman: Before the Minister replies, I would just point out to the Minister and the committee that we have been talking extensively on the Ontario securities commission, which is vote 702. I point this out to the members—that the securities commission is a separate vote. I put it to the Minister whether or not he wants to deal with it at this time.

Mr. Nixon: Mr. Chairman, that is quite agreeable with me. It is a matter that the securities commission does not deal with, and there are no funds in it, apparently, that would deal with this, so it would be a matter of policy. I raised it because the two previous members had mentioned it.

The second thing I would like to put to the Minister is something else that occurred to me during the comments made by the previous speakers. Reputable advisors—usually reputable advisors—have been giving the sort of advice that would lead our investors to look to the New York market for a better and a safer return on their investments.

This has been a problem that we have faced, as Canadians and as citizens of Ontario, for many years. I refer specifically to the book, "How To Make a Million," or is it "Anyone Can Make a Million?" My colleague from Sudbury (Mr. Sopha) made mention of it—made much of the fact that the hon. member for High Park, who is quite a reputable adviser, in these matters, having been somewhat successful himself, if that is a criterion, had, as one of the basic recommendations, that for the best return and the safest return in investment one had to look outside of Canada and outside of the Toronto market for these investments. He is not the only one who has given this sort of advice.

We, in the last five years, have been plagued by a number of pressures that have really added force to these suggestions. There have been many studies made that have purported to show the percentage of Canadian investment and perhaps even investment in Ontario—that has gone elsewhere in recent years. I think it is very regrettable that the savings of our own people are not invested to a greater degree in our own natural resources and other industry.

It has occurred to me more than once that one of the things that might encourage home investment—investment in the Montreal Toronto, Winnipeg, and Vancouver exchanges —would be a national securities commission. I understand further that having listened to the remarks this afternoon about the programme known as CANSEC that this is sort of a typical Canadian compromise of making do with what we have and actually making a virtue out of it. I can imagine that the Minister, on previous occasions, and perhaps in the future, will try to make a virtue of the fact that the provinces are autonomous, but they have this great horizontal network of co-operation which is going to give us the sort of control that is better than other jurisdictions.

Yet the innocent investor is still prone to the feeling that, in the United States, the SEC can rule with an iron hand on any shady practices. In fact, this has resulted in the development and strengthening of confidence in American investments in relation to investments here that are still reflected in the investments that are made. We are still losing tremendous quantities of capital that would certainly be desirable that we would have invested here.

Specifically, I would like the Minister to comment on the possibility of transferring at least some of the powers that he has as the Minister in this department, to a national board. To what extent he can inform the

House as to the percentage of savings that flow out of the province and out of the nation for investment in the United States, that might ordinarily be expected to be invested here?

Hon. Mr. Rowntree: That is a pretty tall question, but let us just have a look at the situation. It is regrettable that the inflow of investment capital is at such a high rate in favour of the United States. It cannot help but have a bearing on Canada's monetary situation.

There are, of course, experts, and I do not pretend to be any expert in the field, but there are those who are experienced who say that where a stock is listed, say, on the New York exchange, and also on a Canadian or Toronto exchange that there is a better balance on the New York exchange because of the larger number of shares which are traded. This apparently makes it attractive for people to deal on the New York exchange, and apparently the advantages are obvious.

Now, let me just give you some figures here. There is a matter of education involved as well. The hon. member for York Centre was discussing the question of education in the securities field. I think that there is a lot to be done and I think that those of us who believe in Canada—we are always talking about our great natural resources and our mineral wealth—I think we have to do something about it.

Part of this programme of education must be to toot our own country and so participate in the development of Canada as such, and have a part of it. We are citizens. Let us be shareholders in our country's future.

I think we have two references made to the question of confidence in the market, in the Canadian financial scene. You will remember when the department was first established in November 24, 1966. I had some knowledge, and I think I have mentioned this in the House before, of what portfolio I would move to.

It was around November 10, when we were waiting for the department to be announced, and when Prudential went I began to think I had been had.

It was in this area of the determination of the government to establish this new department, and then when Prudential went you remember I said that I think that I could try to sum up the objectives of the department by saying that it was our intention to try and see that another Prudential just did not happen.

Mr. Nixon: There were some people who thought it came relatively close a few months afterwards.

Hon. Mr. Rowntree: I beg your pardon?

Mr. Nixon: There were some people who thought that we came relatively close to another debacle, a few months after.

Hon. Mr. Rowntree: Yes, but think of the leadership that was demonstrated by this government in avoiding that situation.

Mr. Nixon: Certainly, hanging on by their fingernails—

Hon. Mr. Rowntree: All right. You remember the cartoon with you in it, and how the newspaper writers pictured you that day when the bank was falling? Do you remember? I do.

I might, on this point, say that last week that certain situation was finally and totally cleaned up and out of the way. The two companies that were involved completed their merger and received the necessary approvals from this government, as well as from the federal authorities in Canada deposit and—

Mr. Nixon: It took an Act of this Legislature.

Hon. Mr. Rowntree: That is right!

Mr. Ben: What happened to the bank by the way?

Hon. Mr. Rowntree: The bank? Well, it has merged now.

While we are on this general subject, there was one other. I do not think I should name it, but there was one other company that, on the transfer and the acceptance into the federal deposit scheme, there was one transaction which had to be cleaned up. That, too, has been cleaned up, so that we are now in the position of being able to say that all Ontario loan and trust companies are now accepted into the federal scheme.

Mr. Nixon: May I just ask in this connection, does the Minister imply that one company actually had to draw on the provincial deposit insurance before the—

Hon. Mr. Rowntree: No, no!

Mr. Nixon: Well, what was the sum which was cleared up?

Hon. Mr. Rowntree: It was an internal transaction where they had sold some property and there was a balance on the contract of purchase and sale that did not come due until some time in June. That is now completed.

Mr. Nixon: Provincial funds were never involved in any of the cases?

Hon. Mr. Rowntree: Nor did we ever get into the collection of any premiums in the Ontario deposit insurance corporation. I might say that in the ODIC, following Mr. Ambridge's retirement as the chairman, Mr. Budd Rieger accepted the chairmanship.

Though there is no activity in that Ontario deposit insurance corporation, we think we should keep it alive because under the Ontario legislation there are certain advantages which do not exist in the federal deposit bill, and I think they should—

Mr. Nixon: Those advantages are for management assistance, is that so?

Hon. Mr. Rowntree: That is right.

Mr. Nixon: Well, I was going to ask about that, but I was not sure that it came in the first vote. I can save it if you want.

Mr. Shulman: Mr. Chairman, I am amazed by the remarks that I have just heard from the Minister, patting himself on the back on the good track record he has had since Prudential and I am surprised—

Hon. Mr. Rowntree: There was not any of that spirit in my remarks whatsoever.

Mr. Shulman: Well, I would be glad to retract my comment partially in that case. But I am surprised that the leader of the Opposition did not jump on him, because just within the last ten weeks, here in Ontario, we have had another Prudential, just as bad, exactly the same circumstances, and the government has not done a darn thing.

In Prudential, we had people at the head of the company who stole part of the funds; we had members of the public who thought they were taking no risk and were depositing their money; we had securities which were purchased outright, which disappeared.

We have exactly the same thing occurring right here in Toronto within the last ten weeks and nobody in this House has said a thing about it. I have a list here of people —pages of them—who have lost their money. These are not people who took a risk, these are people who paid outright; bought things like American growth funds. They did not think they were buying anything on margin, did not think they were taking any risk at all in securities. We had exactly the same situation where they did not have any protection.

I will have some very lengthy comments on this in the next vote, but under this particular vote I want to bring up the dereliction of the government in not providing insurance for investors, because this is what we need and we do not have it. We have this great, wonderful, new legislation which manages to protect a tiny, tiny proportion of those who happen to invest through a finance company or a trust company.

Most of the investors in this province are not aware of the fine distinction. They see that someone is a member of the stock exchange or someone is a member of the IDA, or is a broker-dealer, and they see no technical difference between them. This is why people do not want to invest in Ontario, because you still have not provided protection to investors.

You can still go in to, supposedly, the most reputable dealer on Bay Street and buy the best stock, or the best bond in the world and pay cash for the whole thing, and then two weeks later be told: "Too bad, too bad, somebody walked away with your money; no insurance for you, no protection from the government, just too bad."

I have an editorial here from the *Financial Post* of March 2, 1968, on ths very subject and they can hardly be accused of socialist bias. I want to read that because it sums up the whole problem, and it is a problem this government has not even touched upon, they have not looked at it.

Mr. Chairman: Does that come under vote 701?

Mr. Shulman: Yes, it does. It has nothing to do with the securities commission whatsoever. This has to do with government policy and the general office.

Mr. Chairman: Might I ask the Minister what vote this might be discussed under?

Hon. Mr. Rowntree: It is quite agreeable to me.

Mr. Chairman: It is agreeable to the Minister.

Mr. Shulman: I am glad.

Mr. Chairman: I am glad that the member is glad.

Mr. Shulman: I am glad the Chairman is glad.

INSURANCE FOR INVESTORS

The recent bankruptcy of Toronto investment dealer Meggeson, Goss and Company raises this important question. There should be some form of industry insurance to protect clients who leave money or securities on deposit with investment firms. This insurance would be in addition to insurance carried by the individual firms. In the case of a trust company, the government decided that deposits should be insured even though the firms had long been subject to government regulation and supervision, and while some trust companies complained, the increase in trust company savings deposit volume since the introduction of insurance suggests that the change helped to polish an industry image.

There are many similarities between the trust company problem and that of investment firms. Both have had excellent records. Except for one small trust company which failed at the beginning of the century, no trust company depositor had lost money up to the time of the British Mortgage and Trust Company affair. None lost money then, but the Ontario government had to step in and promise to support the depositors. No client of a member firm of the investment dealers association of Canada has as yet lost money because of a financial collapse, although the outcome of charges laid in the Meggeson, Goss and Company incident is not yet known, nor is the position of clients.

Both groups are subject to substantial regulation and inspection. The trust companies are regulated by federal and provincial laws. IDA members are regulated by the association itself, which has strict rules about capital insurance, safekeeping and segregation of client securities and audits. But as in the trust company industry, the investment community as a whole suffers when one of its members attracts unfavourable public attention. The Meggeson failure should prompt the investment firms to reappraise the merits of additional disclosure, inspection, insurance, or other protective measure for their industry. It is in everyone's interest that the dealer's good record remain untarnished.

Mr. Chairman, that sums it up so very well. We have gone through these fantastic collapses in Ontario and we still do not have a system of government insurance that will protect the innocent investor, who without intending to gamble or speculate, buys a grade A security from supposedly a grade A broker, if that broker who either does bankrupt or, through a criminal act, has the funds stolen from him, that investor is just up the creek. He has no chance of getting his money back.

I suggest to the Minister that his department is going to continue to be in bad shape, and we in Ontario are going to continue to be in worse shape, because no one is going to want to invest here—worse, no one is even going to want to buy things here, even American securities. Why buy American securities through a Canadian broker who may run off with your money? You have to bring in legislation to protect the investor, and until you do, we are going to continue to have the problem as laid out in this particular editorial.

Far worse has happened since that editorial, as the Minister is well aware. We have a far worse situation on our hands right now which I will speak on later. This is not a secret, this is not something new. It has been written up time and time again, and this is something which is so outstanding, and which has not been covered in the trust companies' legislations, I am amazed that the Minister has not already brought in legislation to cover this particular matter.

Under this vote there is a matter I would like to go on to, but does the Minister wish to make any comment on this before I do?

Hon. Mr. Rowntree: I would be glad to look into the matter you are raising.

Mr. Shulman: On the matter of investments in the United States by Canadians, I think this deserves a comment. It has been mentioned by the leader of the Opposition. The point which I wish to make under this vote is that investment in the United States by Canadians is not necessarily bad for Canada. I do not want to use my own thoughts or my own ideas here particularly; I am going to quote from R. H. Jones, vice-president of the securities division of the investors' group, which is one of the largest investors in Canadian securities. He made a speech some weeks ago in Montreal in which he spoke as follows:

> Investment by Canadians in United States securities is beneficial, not detrimental to the Canadian economy.
>
> He told the Canadian arm of the American management association yesterday that

> the flow of equity investment is but a small part of the whole balance of payments relationship with the United States.
>
> So long as Washington permits us to borrow funds in the New York market, it seems rather short-sighted to agitate for Canadians not to invest equity capital in the United States. Furthermore, savings were attracted to equities only if there was a promise of reasonable return on the investment. Canadian investment in the United States, through appreciation, represents a growing income and wealth for the Canadian investor and, I may add, for Canada.

Mr. Jones said current assets under administered mutual funds total $2.3 billion.

> Over 45 per cent of these assets are in the form of non-Canadian common stocks. There is no evidence as yet of a slowing down in this trend because of the simple fact that the United States markets are broader, and offer representative growth stocks in computers and electronics, which are missing in the Canadian market mix. The Canadian market has suffered from insufficient liquidity and archaic operating procedures. A drastic change in investment philosophy has come over the mutual fund industry in recent years.

The point he makes here is a very valid one, and I think perhaps in our nationalistic patriotism we should not wave the flag too strongly on this particular matter. The amount of money that we are sending to the United States is really still infinitesimal as compared to the amount of money they are sending here, and the money that we send there does not go into things like bonds where we are drawing a flat interest rate. Most of it goes into equity investments which are going to bring riches home to Canada, so this *per se* is not a bad thing.

The reason for it is bad, because the reason is that in Canada we have bad securities legislation. In most things in Canada we expect to be five or ten years behind the times, but in securities legislation in Canada we are 34 years behind the times. I have here The Securities Exchange Act of 1934. It is The United States Securities Exchange Act of 1934, and it puts our legislation in 1968 in Canada to shame. When you read through this, you wonder why anybody would buy anything at any time on a Canadian exchange from a Canadian broker. It is a fairly lengthy report and I do not want to go into detail, but there are just one or two brief items I would like to point out to you, Mr. Chairman, because they sum up how in 1934 the United States securities industry, the government, and those responsible were so far ahead of where we are in Canada in 1968.

Basically this is the same Act they still have. There have been improvements made, but this is the basic Act as it was spelled out in 1934 following certain lessons which had been learned in that country in the previour few years but which apparently have yet to be learned here.

Here is one of the items; I am reading from page 8:

> It is wrong to effect a loan with one or more other persons, a series of transactions in any security registered on a national securities exchange, creating actual or apparent active trading in such security, or raising or depressing the price of such security for the purpose of inducing the purchase or sale of such security by others.

That is still a common practice right here in Toronto. I am not referring to wash trading, let me tell you right now; I am not referring to wash trading, which is forbidden in this jurisdiction. I am referring to the practice of a promoter stepping in and buying stock. He feeds it out through various means, through customers' men and in other ways, such as through United States orders. He then sells the stock, steps back in and buys it back, and creates an appearance of activity. This is illegal in the United States; it was illegal 34 years ago. It should be illegal in Canada. And do not confuse it with wash trading.

Mr. Ben: How about short selling?

Mr. Shulman: There is nothing illegal about that. In fact, short selling, may I explain, Mr. Chairman, for the benefit of the member for Humber, is a very essential part of the working of markets. If there were no short sellers—and short sellers basically are the professionals who work in the exchange—when a stock starts to go down, there would be nobody to buy it back on the way down, so short selling is a very definite and very important part of securities trading. Let me say it has to be regulated and I think it is reasonably regulated. But short selling should not be a criminal act.

I refer you to page 26 of the 1934 Securities Exchange Act. They are referring now to directors, owners, and principal stock-

holders. Let me read this, because this sums up something which we have hammered at in this House but obviously we have not got through to the government on it.

Mr. Chairman: Did the member say 1934?

Mr. Shulman: 1934!

Thank you, Mr. Chairman, for emphasizing that point for me.

> For the purpose of preventing the unfair use of information which may have been obtained by beneficial owner, director or officer, by reason of his relationship to the issuer any profit realized by him from any purchase and sale or any sale and purchase of any equity security of such issuer other than an exempted security within any period of less than six months unless such security was acquired in good faith in connection with a debt previously contracted, shall enure to and be recoverable by the issuer irrespective of any intention on the part of such beneficial owner, director or officer in entering into such transaction of holding the security purchased or of not re-purchasing the security sold for a period exceeding six months.

What this section does is prevent officers, shareholders and directors of taking advantage of inside knowledge and making a profit. They can be sued for that profit, and they can be forced to cough it up. We should have had this in Canada 34 years ago also.

On page 27, again, under liability for misleading statements, the Minister yesterday gave a great explanation of how he had been misunderstood by the *Globe and Mail* and he had not really meant what he had said, and I am glad that he made this explanation because he gave Ontario some very bad publicity in those words. But let us see what the law says in the United States. I quote section 18(a) under liability for misleading statements:

> Any person who shall make or cause to be made any statement in any application, report or document filed pursuant to this title or any rule or regulation thereunder or any undertaking contained in a registration statement as provided in subsection (d), which statement was at the time and in the light of the circumstances under which it was made, false or misleading with respect to any material fact shall be liable to any person not knowing that such statement was false or misleading, who with reliance upon such statement shall have purchased or sold a security at a price which was affected by such statement for damages caused by such reliance unless the person sued shall prove that he acted in good faith and had no knowledge that such statement was false and misleading.

This would prevent a situation which we saw right here in this province where directors of a company—

Mr. Ben: How? They never made a statement. There has to be a statement made under certain circumstances.

Mr. Shulman: Any statement in any application or report or document. Now let me give you a specific example.

Interjections by hon. members.

Mr. Shulman: Obviously we are talking about two different cases. I am talking about Clairtone, what is the member talking about?

Mr. Ben: E. P. Taylor.

Mr. Shulman: Well, you look after E. P. Taylor, let me look after Clairtone for the moment. Who mentioned E. P. Taylor today? The member for Humber is once again confused. Mr. E. P. Taylor has made a few lies in the brewery matter, but I am now talking about Clairtone.

Mr. Chairman, this statement means that if a person, an insider, makes a misleading statement—it does not have to be written—and as a result of that misleading statement any member of the public loses money as a result of making a stock trade, they can then sue that director and get their money back. We should have this.

This would prevent directors who know their company is on the way down from making statements like "Oh, everything is rosy" and meanwhile rushing out and selling their own stock. And we have had that right here in Ontario within this past year. Surely this should be against the law; surely we do not have to be more than 34 years behind the United States. It is common sense legislation. Why should these men be allowed to make millions of dollars while others in good faith, believing their statements, went out and bought stock or held onto their own stock, and saw it go down to a tiny fraction of what it had sold at? This is why our securities legislation is abominable in this province. And we find people holding Ontario up as an example of what is good in Canada in securities regulations. And it is frightening.

Sure, we are better than Vancouver; sure, we are better than British Columbia—most of the obviously blatant crooks have moved to Vancouver. You have forced away the really bad promoters, but you have not looked after the matters that the knowing investors are aware of. Any knowing American investor or foreign investor is still aware that in Ontario, which is the model for all that is good in Canada, we have securities legislation which is more than 34 years out of date. Does the Minister wish to make a comment?

Hon. Mr. Rowntree: I cannot agree with that statement at all. That is not what the chairman of the securities and exchange commission in the United States says about our current legislation. He says there is nothing more sophisticated and modern than we have. Let me make a reference to the question of the difference between the American law and the Canadian law with respect to the example that was cited a moment ago.

This matter was gone into in some detail by the Kimber committee and they rejected the American rule quite deliberately. It did not just happen; they did not ignore it, but they felt that it was an undue interference with the normal business operation.

I tell you quite frankly, because I looked into it this morning, this was the reasoning and the recommendation of the Kimber committee, as it is called. However, carry on.

Mr. Shulman: Well, there are two points the Minister has raised here, Mr. Chairman. First of all, his comments on the speech of the securities exchange chairman; I wish he would read that again because the gentleman, as I recall, was commenting on one tiny aspect of our law. But, in general, United States officials think they are abominable. May I suggest he reread the speech.

Hon. Mr. Rowntree: I have read it.

Mr. Shulman: To come to the matter of our securities laws as related to the United States, I can sum up everything that is wrong in our Securities Act in two words. I can sum up everything that has been ignored by the Lawrence committee in two words, and everything that was ignored by Kimber and every other group that has looked into securities regulations in this province. Just two little words sum up everything that is wrong with it, and as long as they ignore these two little words, the new Act—

Mr. P. J. Yakabuski (Renfrew South): Well, sum it up and shut up.

Mr. Chairman: Order!

Mr. Shulman: I am delighted to see the hon. member for Renfrew South is back.

Mr. Stokes: From the back 40's.

Mr. MacDonald: From way, way back.

Mr. Shulman: Mr. Chairman, the sum and substance of what is wrong with our securities legislation comes down to two words; we do not have "timely disclosure." The strange thing is in the great reports which they brought in last year and were so proud of, nowhere in that report do we see those two words mentioned, they are not discussed. Apparently nobody thought of them. And yet that is the basis of the United States security regulations; that is the basis of what is good in the United States securities, and why people do not want to invest in Ontario, in Canada.

I have here an address by Mr. Ralph Saul, president of the American stock exchange, which was given on June 13 of last year and it is called "Timely Disclosure—the American Stock Exchange Experience', and their experience, let me say, goes back to 1930 in this little matter.

We have not got around to even discussing it here in Ontario, but we might as well start today because until the Minister is prepared to bring in a law embodying timely disclosure, money is going to continue to flow out of this province and the United States and foreign investors are not going to be prepared to send their money up here.

What timely disclosure, in effect, means is that when a company has a change in its business, whether that change is a huge upturn in earnings; whether it is a new discovery; whether it is a take-over offer; whatever change it may be that will seriously affect the earnings or the future prospects of that company; that company must immediately notify the shareholders. That is not quite what happens here.

In the United States, it is quite fascinating to watch when announcements of this nature come out. Immediately there is a great move up in stocks or a move down as the case may be, if the news is good or bad. Suddenly, all the investors become aware of the fact and govern themselves accordingly.

We do not find huge moves in the stock beforehand because a few people cannot

take advantage of the situation. But what do we have here in Canada? A very different situation.

For a few days or a few weeks before the announcement is made we have a steady move up, if it is good news of the stock, steady buying—Lowry is a good example. Stock moves up, moves up, moves up. Suddenly, after it has reached its top then the announcement comes of a take-over.

The same thing with Clairtone, we saw when there was bad news coming, it moves down, moves down, moves down, moves down. After it is down, then the shareholders are told what has happened. Canadian Breweries. What happened? Great buying beforehand, then the disclosure is made.

People who did the things that were done here, if they were in companies in the United States, would be in jail because they have a wonderful law down there and it is called timely disclosure. I would like to read this address, and I am sorry to take the time of the House, but this may perhaps be the most important thing I may say on the subject of securities legislation during the next four years.

Until we have timely disclosure we are going to have high interest rates, high mortgage rates, high costs for everything because nobody wants to leave their money in this province. We need timely disclosure. This address was given before the American society of corporate secretaries in Hot Springs, Virginia.

Mr. E. Sargent (Grey-Bruce): Do not read it all.

Mr. Shulman: Do not worry, Eddie.

Mr. MacDonald: You just got here now.

Mr. Sargent: I know, but it is pretty tough to take.

Mr. MacDonald: You get impatient very quickly. We have not seen you for a week.

Mr. Nixon: Try to extract the kernel and save time.

Mr. Shulman: I promise the leader of the Opposition I will not read it all. I am going to extract the kernel.

> In January of 1963, the American stock exchanges announced a strengthening in timely disclosure policy. About one year later, that policy was incorporated into the exchanges' listing agreement.
>
> It requires a list of companies to make prompt public disclosure of any material developments in its affairs or operations, whether favourable or unfavourable, which might significantly affect the market or its securities or influence investment decisions.

I would like to describe how the timely disclosure policy fits into the total framework of disclosure requirements, then to discuss the exchange and experience in administering that policy and finally, to suggest some possible directions for future development.

Let us first examine the question of how timely disclosure fits into the disclosure obligations of listed companies. Actually, we find that these obligations can be divided into two categories. The first category which I will not go into is the legal obligation to make disclosures and prospectus and so forth, which is not too relevant to the point.

> Disclosure obligations in the second category arise in connection with the material or significant corporate developments. The SEC requires, under the 1934 law, that listed companies report specified material of corporate developments within ten days after the close of the month during which the event occurs.

This was in 1934. This was their first step to demand disclosure within ten days of the end of the month. That is how they started.

> This requirement has been described as a continuous disclosure system. In addition, another SEC requirement directed to the disclosure of material information is based upon a fraud concept.

And it goes on into that matter which is not too important at the moment.

> The timely disclosure requirements of the American exchanges fall within this second category. That is, they are hinged to significant corporate developments like the continuous disclosure requirements of the 1934 Act. Timely disclosure seeks to replenish the fund of available information upon which the public may make investment decisions.

Now, we had the member for York Centre get up and make his comments which were quite correct, that the public should be given full information.

Well, what he was referring to was prospectuses and annual reports, and of course they should give full information in prospectus and annual reports. But sad to say, prospectuses may come out only once in 20

years, and annual reports come out once in a year and a lot of things can happen within that year, from one annual report to another, which make tremendous differences, and the only people who know what is going on are the directors.

The shareholders are sitting out in the cold, and by the time the next annual report comes up it is too late. That is why 30 years ago the Americans, in their wisdom and they were wise here, insisted on continuous timely disclosure.

And this is why I am asking the Minister to bring it here.

Hon. Mr. Rowntree: The Toronto stock exchange has the same rule and a similar policy with respect to timely disclosure. For instance, let us have a look at unusual variations in the market price of stock. The securities commission makes requests for disclosure and in the case of Pyrotex and other company situations, such as Great West Saddlery, these things are all being—

Mr. Shulman: Mr. Chairman, may I ask the Chairman to read the sections of The Toronto Stock Exchange Act that requires timely disclosure?

Hon. Mr. Rowntree: It is in the bylaws of the stock exchange.

Mr. Shulman: I would like to have it read, if the Minister at his convenience, would get a copy of it. What the Minister is talking about, Mr. Chairman, is investigation of unusual stock activity, and this is not what I am talking about.

What in the world good does it do to start —well it does some good I suppose—after there has been a great move up and everybody has made their profit, then they look into it. What the United States rule does is prevent people from taking advantage.

Sure, I come in here and say, will you look into the Canadian Breweries stock and the Minister says, "Yes we will look into it," and he looks into it. I ask the Minister, will you look into the matter of the directors of Clairtone selling their stock before telling the shareholders of the company, that it was going bust and the Minister says, "Sure, we will look into it." I asked the Minister if he would look into the Lowry matter. Sure they look into it. So what? They look into it, so what? How does that protect the shareholder?

We need a timely disclosure law, a law like they have in the United States in their 1934 Act. You do not have such a law.

I ask you to show me that even in the bylaws of the exchange. If there was such a thing in the bylaws of the exchange, it would be a small step in the right direction. A small step, mind you, because most stocks are not listed on the Toronto stock exchange. You need a regulation in your securities rules that says, by law there must be timely disclosure, and until you have such a law, why in the world should the directors carry it out?

A couple of years ago I was a shareholder, in fact I am still a shareholder in a rather well run company let me say—a company called Newconex. They made good profits and I have no quarrel with the directors of that company because they are following the law.

I went to their annual meeting and I said: Would you mind telling me what volume of stocks you have bought?" He said, "No, we do not want to tell you." So I said, "Well, do you not think I have a right to know how many shares you own of what I am a shareholder, a fairly substantial shareholder?" They said, "Show us the law where it says we have to tell you."

There is no law that says they have to tell their shareholders what stocks they are buying and let me say again, I am not criticizing the directors of that company, they behaved perfectly properly under the law and actually they are good directors. They made a lot of money for their shareholders but this practice is so improper.

The law is improper, not their activity, because they behaved perfectly legally. We require a proper securities Act. Until you have a proper securities Act you are going to have honourable men getting the legal advice which shows how they can tell the shareholders the absolute minimum and that is what they do, the best of them and the worst of them. The worst of them take personal advantage, the best of them take corporate advantage and surely, that is wrong.

Anyway to continue with Mr. Saul's address:

> It is my thesis that, (1) the timely disclosure requirements of the exchanges has been filling gaps in the continuous disclosures system under the law.

Let me just stress that. What he is saying is that the exchanges are working together with the lawmakers of that country to make sure that the shareholders are given an honest chance and an honest investment.

Here we do not have either the laws or the exchanges carrying out their duty.

In the United States they see their responsibility and their duty and that is why money flows to New York for investment from all over the world. They know that when you invest in a company there you know that you will know what is going on and you will get a fair shake.

He goes on, point (2):

> It is my thesis, that, (2), these requirements are likely to be of increasing importance to investors in the future.

And he is right. It is of increasing importance, because as an international investment becomes more important, money is going to tend to flow to areas where there is disclosure, and flow away from areas where you are playing craps.

He goes on.

> Point (3), there are important areas where the exchange of timely disclosure requirements might be further co-ordinated with the disclosure system under the 1934 Act.

I would like to go on to this thesis in my remarks. He goes on from there, but I will not go into great detail—

Mr. Nixon: Are we still in the kernel?

Mr. Shulman: We are in the kernel, yes.

I will not go into great detail of what he said, but what he is saying here, and this is a responsible leader of the American stock exchange, is that it is not enough that in the coming years they should go further so that the shareholder should have every chance.

Well, there is no use in going into what he suggests we should go onto. We will try that next year.

But, if he is saying that what they already have is not enough, surely, it is time that we should bring in these minimal steps in Canada, particularly in Ontario? If British Columbia wants to have the old bone boiler shops, if they wish to have this type of hot money, let them have it. Surely we deserve better in Ontario because in the long run, you can stick investors only so many times. They learn, and when they learn, they are going to pull their money out of Canadian securities and start investing their money in American securities through American brokers.

In the long run we are cutting our own throats. So let us be a little bit sensible and let us start with at least "timely disclosure." It is not just in the United States that there is awareness of the bad situation here in Canada. I hold here the Toronto *Telegram*, for Saturday, May 18, 1968, and, in great big banner print across the top, we read: "New Company Rules Must Be Free of Loopholes."

Periodically we get a new company law here. There is one now that is being presented by the Premier to the House. It has not been brought in yet as he wants to give the companies and interested individuals lots of representation time and already we are hearing lots of representations, Mr. Chairman, that "this law is too strict." It is "going to interfere with private enterprise" and, it is "going to stop our great Canadian investors from investing here." But actually that law is so bad that there are probably better laws for governing securities in Afghanistan.

It is so full of loopholes, and it avoids all the basics, there is really nothing there to control insider trading. There is nothing there about continuous disclosure, and nothing about timely disclosure, and nothing to prevent directors taking advantage of their positions. It is common knowledge, not just in the United States, but here on Bay Street they already know that. Here is Steven Vitunski, the financial editor for the *Telegram* —and I do not think anyone would ever accuse him of socialist bias—and he writes as follows, and I quote:

> Although we would not go so far as Premier Robarts in hailing his new company laws, as: "The dawn of a new era in our business community," we nevertheless believe that they are a step in the right direction.

And let me interject that they are a step in the right direction—a little tiny baby step, mind you, but in the right direction:

> Our only hope is that the legislation, when enacted, will not be riddled with the same loopholes that persist in the provincial government's new securities Act.
>
> For instance, numerous companies, especially subsidiaries of United States companies, have already won exemptions from reporting sales, and other figures. Insider transaction reports—they are still pretty much a voluntary thing, with little evident pressure on companies and individuals to report fully, or on time. In fact, insider reports are not much of a deterrent against insider profits to those who have this in mind. What is to prevent an insider from doing his trading through a relative who

lives in another residence, or a nominee? And the whole premise of securities regulations seems to be wrong. It is based on the fact that the public can have remedial action by simply going to court. Court action however, is a most involved, costly, complicated and distasteful procedure for most ordinary shareholders. This is a rather archaic principle, akin to the police expecting citizens to apprehend and charge all traffic offenders.

Why can we not have some central body staffed with keen, young, crusading, well-paid experts who would go out and shake a few trees? Yes, I know that we have the Ontario securities commission, but they are mostly bookkeepers, and you have to present a virtually iron-clad case to them on a platter before action will be taken. I guess that the attitude everywhere seems to be, "Let us not get involved, do not rock the boat."

Well now, he sums it up so well. When we bring these things up here in the Legislature, what does the Minister say? What does the Premier say? They should go to court, they should take remedial action, they should sue.

These people have already been stripped. They have lost their money and often their money is already down in the Bahamas, or other tax havens—in numbered accounts in Switzerland. What good is it to them to go to court? It is too late.

What we require is securities legislation which will make it unnecessary for them to go to court. What we require is proper securities legislation which would prevent this type of insider profit.

Here is another editorial on the same subject. This is from the Toronto *Daily Star*, a more progressive newspaper. The heading is: "Why Should Insiders Profit?" And I quote:

There is still a big gap in the Ontario government's new legislation to protect shareholders against unethical company directors. It will still be possible for insiders, persons who have access to confidential information about a company's future plans, to make large profits on the stock market without regard to the interest of the ordinary shareholder.

The Ontario Securities Act of 1966 attempted to correct the situation. It provided, among other things, that if a director or senior official of a company used, for his own profit, any confidential information he acquired, affecting the value of his shares, he was accountable to the company for any profit on the deal. This rule applied also to associates of the insider.

Unfortunately, "associate" was defined to include only relatives of the insider who lived in the same home with him. This means that relatives who are not living in the same home are exempt from the provisions of the Act. Suppose the director has a son who has a home of his own? There is nothing to prevent him from passing on advance information to his son about a coming merger, or reorganization, or merger which is sure to send the stock of the corporation soaring.

The son can then buy as many shares as possible, to ensure a quick profit. And he need not account to the company for this profit, because he is not an associate within the meaning of the Act. But the wide loophole still is left whereby unprincipled directors and officers and their families can use confidential information to their own advantage. The gap should be closed and the bill should be changed so that all persons who obtain inside information from company officers or directors are held accountable for profits made through use of such information.

Of course, that is common sense, and, of course, the Minister knows that we should have this rule, but we do not have it.

We have situations here in Ontario where insiders, or the president of a company, can make $5 million through his inside information and compound his little felony by doing a little forgery to confuse the stock exchange about what he is doing. What does the Minister do? He gets up in the House and says, "There is nothing wrong in that, and we are not going to lay any charges."

Let me show you what is happening in Ontario this week. I have a paper dated July 4, 1968, and I want to read to you the sort of thing that can happen to you with our present securities legislation in Toronto, in this great province of Ontario now!

Hon. A. F. Lawrence (Minister of Mines): This past week.

Mr. Shulman: Thank you, this past week. The Minister of Mines is always accurate on very important matters like this.

I quote:

Three directors of National Containers Limited have resigned as a result of a disagreement with president Hyman Katz con-

cerning the method of proposed take-over of the company by Plant Industries Limited. The three are Eric Scott, Murray Howe, and William Zimmerman.

Mr. Katz was recently elected a director and president of Plant Industries. Plant Industries has agreed, subject to shareholder approval, to acquire from Mr. Katz, between 380,000 and 430,000 National common shares, representing between 54 per cent and 61 per cent of the shares outstanding. Warrants to purchase 50,000 additional shares are also involved.

The dissidents in a signed statement, said, "We strongly urge that all shareholders be given the opportunity of participating in this exchange at the same time, and on the same basis, as Mr. Katz. However, this he declined to do."

A later statement from Plant Industries said it may make an offer for the balance of the outstanding common shares of National Containers within a period of ten months from the date of acquisition of control from National's president, Mr. Katz. The statement added the offering price would be determined in the future.

Several years ago, all major Canadian stock exchanges, the investment dealers' association of Canada, and the trust companies association of Canada, adopted a code of procedure for take-over bids. It stipulated that any offer should be made to all shareholders, and, if more shares are tendered than approved, than covered by the offer, the shares should be taken up on a *pro rata* basis.

These arguments were recently aired in the case of Rothman's of Pall Mall Canada Limited purchasing 11 per cent of the outstanding shares of Canadian Breweries from Argus Corporation at $12 a share. The going market price for CB shares is currently around nine and a quarter.

So what do we have here? We have a great big man in this country, Mr. Taylor. We have not such a big man in Mr. Katz, and they are both doing the same—well, Katz, of course, is doing something much worse.

Katz is the president of the company, a public company, which is making an offer to another company of which he is a president—another public company of which he is a president—to buy a certain amount of shares at a rather good price. And who are they buying their shares from? Not from the shareholders. No, from Mr. Katz.

Mr. Katz has a strange sense of morality and this government has a strange lack of control of these matters.

This could not happen in the United States. It is illegal. It is improper. Up here it is just immoral, so what?

It is interesting to look and see who the directors are of this company. The directors of this company are leading members of the Toronto stock exchange. Now what can they do? They wail: "Sorry, we cannot do anything. We do not want to be tainted so we will step out of the company. We will sell our stock and step away from it, because it is obvious that this is immorally improper, but what does the Ontario government do? Nothing.

Surely, Mr. Chairman, it is time that this government took action to bring in proper securities legislation so this type of thing cannot be done by the Hyman Katzes and the E. P. Taylors of this world. Because these men take advantage of the loopholes in our securities laws. They are interested primarily in their personal situation and not in the situation of the shareholders; and they step over the shareholders.

Here we have a glaring case that occurred five days ago in this city and nothing has been done about it for the simple reason that nothing can be done about it because there is no regulation to cover it. Is this new? No. Here we have had the *Telegram*, the Toronto *Daily Star*, *The Financial Post* again. Here is an article in *The Financial Post* of January 27, 1968—big heading across the front page—sorry, the 16th page—"Need Law Covering the Role of Directors/Trustees; Prudential collapse spurred governments, but still further tightening being urged", and it is a lengthy article. I do not wish to take the time in the House to read the whole article, but it sums the whole thing up again. We need proper securities laws in this province, and we do not have them.

So to sum up on this particular matter, I would like to say through you, Mr. Chairman, to the Minister, for goodness sakes, we are 34 years behind. I hope that next year I do not have to repeat by saying that we are 35 years behind. But if we do not have these regulations, these new Acts, I promise you, Mr. Chairman, and through you to the Minister, that I intend to repeat these comments *ad infinitum*, and every year until this government gets off its rear end and brings in some proper legislation.

Mr. Deacon: Mr. Chairman, I was very interested in some of the comments and comparisons and the reasons for our increasing investment in American securities, being the tremendous improvement of the SEC over our Canadian laws. I often wonder just what happens if the SEC is not able to stop a situation like Pentax, or the salad oil scandal, or Ico. It seems there are always situations developing that no laws can prevent. It is also very interesting for me to observe the comments on timely disclosure and the importance of that *vis-à-vis* the present situation that we have adopted here of when there is an unusual action in securities, they being subject to inquiries and the requirements of statements as to the reasons to what is behind them.

I know in my own experience there are many times when I have considered developments to be of importance, developments that I thought would affect the stock favourably or otherwise, that we have made statements and that nothing has happened or the reverse of what we expected has happened. I am still a director of two companies, one of which a week or two ago published a statement announcing a $1,400,000 loss, and the stock went up. There are many times that the results in the market place are difficult for those on the inside to understand. And it is also difficult to know how you can prevent direct or indirect gains being made by those determined to make those gains.

I do not say that we should stop being vigilant and endeavouring as the hon. member for High Park has stated to try to cover these items. But I do maintain that some of the solutions that they have been using in the United States for the past 34 years have done nothing but make it more difficult to do business there. They are not the basic reasons for our equity funds going down to the United States. We have improved our reporting requirements and I hope that we will do far more of it, but the main job is that we need in our country large, well-managed corporations with listed stocks that are marketable.

We want to have more of the industries such as electronics and others where there has been remarkable growth. We have seen in the last few weeks a remarkable increase in investment in Canadian stocks from abroad, including Germany, and it is because they have confidence that we are trying; maybe not in the very regulated way of the United States, but in the way that we are trying to, at the present—through I think common sense regulations—improve the atmosphere for investors in this country.

I would point out that I cannot understand, under liability insurance that security dealers carry, how the investors or those that were dealing with Meggeson Goss, for example, could lose money through stealing within the organization. They are covered by insurance, and many millions of dollars of liability is carried by the larger firms.

So, in summing up, I do not want to say that we have reached optimum; we are a long way from it. But I also say that we should use our heads and not bring in laws that will strangle the economy of individuals dealing under conditions where individuals can deal freely and knowledgeably in securities in this country. It is one thing to be looking at it from the outside; and I can assure the hon. member for High Park that I, as one who has been involved very much in the inside, am one who has been very much aware and hoping to see us overcome abuses in the past, I have found great difficulty in finding solutions that would cover all situations.

Mr. Shulman: Mr. Chairman, I would like to follow this point up. The member for York Centre has pointed out the matter of liability insurance. Of course some of the brokers have liability insurance, but unfortunately they all do not have it, because there is no regulation saying they must, and they do not have enough.

I have letters here, some of which I will read later in this debate, which involve people who went to a broker, who paid outright for their stocks, who left the stocks there on deposit, and who now when the broker has gone bankrupt they have received letters from the trustee saying, "you are an unsecured creditor." As an unsecured creditor, you may expect to get back somewhere between 50 and 60 cents on the dollar. What protection have they had? So obviously liability insurance at the whim of the broker is not sufficient. Perhaps the member comes from a firm that carries enough liability insurance. These people made the mistake of choosing a firm that did not have enough liability insurance, and how many investors when they phone to buy a stock say, "by the way, how much liability insurance do you carry in case your bookkeeper runs off with the money?" Of course, you cannot make legislation that will cover every eventuality, but you can at least do the reasonable things. The things that were done

in other countries three decades ago, and I sorry the member mentioned salad oil because, of course, salad oil has nothing to do with securities. The salad oil swindle did not come under The Securities Act because it involved the theft of some millions of gallons of salad oil and it came under an entirely different regulatory body. And may I say that he is perfectly right? You can never make laws that are going to prevent stealing, but you can make laws that will minimize stealing.

If someone is going to come into the treasury one day and open up the safe and take out all the money, or all the salad oil, and leave for Brazil, of course you cannot stop that. But you can make the regulations sufficiently tough, and the disclosures sufficiently open that planned thefts cannot go on over a period of time as occurred with Prudential, as occurred with so many others, and this is what timely disclosure does. It brings your stealing to a minimum. I remember he did make one very interesting point on which I would like to comment, just briefly. He mentioned that when the company announced that it had made a profit of $1 million–

An hon. member: A loss!

Mr. Shulman: Sorry, had taken a loss of $1.5 million, the stock went up.

And this is very interesting because this is the pattern in Canada. When a company announces a big loss–as happens time and time again–you will find the stock goes up; when a company announces a big profit, you will find the stock goes down. And the reason for that is very simple. The reason is that big loss, or that big profit, has been know for a fairly good length of time–perhaps a few days, perhaps a few weeks–to the insiders, and they have already taken the appropriate action. If there is going to be a loss, they have sold their stock; if there is going to be a profit, they have bought stock.

So then we have this strange thing that happens, the company announces a loss and the stock goes up, because what is happening is the stock has already gone down as a result of this selling and those people are replacing their positions and buying again.

I am not suggesting this occurred in this particular company. I have no idea what company is being referred to. But it is the pattern here in Canada, and this is why the pattern here is so different from the states.

In the states, when a company announces a profit the stock goes up, which appears reasonable; when it announces a loss, the stock goes down. We have exactly the opposite pattern here; it occurs time and time and time again. The explanation is very very simple. These matters are not kept secret and those who are aware of them ahead of time take advantage of it. I submit again, Mr. Chairman, it is time that we moved security-wise into the 1930s.

Mr. E. P. Morningstar (Welland): Mr. Chairman, I would like to ask the hon. member a question. Is the hon. member talking from experience? Has he had this experience?

Mr. Shulman: I have had fairly considerable experience in the exchange. I have never owned any company that was listed on the exchange nor have I ever taken advantage of inside information because, unfortunately, I have never been an insider. I am not saying that I would not have, I might have succumbed to the same pitfall that other people have; there was no law being broken.

But unfortunately, or fortunately as the case may be, I have never been exposed to that particular temptation.

Mr. F. Young (Yorkview): Mr. Chairman, this afternoon, after all the heavy artillery has been fired here, and those of us who are still working on our first thousand, are listening in awe. But I presume that the Minister's report will come under this first vote, the printing of the report, and I just ask in lighter vein, a question of the Minister in charge.

I notice in this report we have a very fine picture of the Minister, in the early part of the report. It is a very good portrait, it captures his genial nature and the sharpness under that geniality; the whole thing is here. But there is something else appearing in that picture which rather interested me.

I understand from the rumours around the House and the province that the Minister has long-term ambitions when the present head of government sees fit to step down, although I understand that the other day the Provincial Secretary was announced in Hamilton as the next Prime Minister of Ontario. Now what that means I do not know.

I understand, too, the Provincial Treasurer has some ambitions here. But the thing that interested me about this picture is the emperor's hat which is resting securely upon

the head of the Minister. I do not know whether this means that his staff is being kind to him or being prophetic for the future, or whether, on the other hand, the Minister himself is expressing his ambition by ordering that the emperor's hat be placed upon this very fine photograph at the beginning of this report this year.

Interjections by hon. members.

Mr. Young: I do not know whether the Minister wants to comment on this or not, whether it is prophecy or whether it is ambition. This is something the House would like to know about.

Vote 701 agreed to.

On vote 702:

Mr. Nixon: Mr. Chairman, I was talking to you, sir, in the previous vote about the possibility of the securities commission having some control over those people in the banking industry who advise on the purchase of securities and actually take orders. Perhaps the Minister now could make some comment on that.

Hon. Mr. Rowntree: I suppose that habitually and constitutionally this arrangement between the right of banks to act as investment counsellors, if I could use that phrase; it has been related to the banking function, and I suppose it has been regarded as a collateral aspect of banking. I had never given any thought to the point that the hon. leader of the Opposition raises. I would be glad to look at the matter. I must say it is a novel approach.

Mr. Nixon: I must say that I do not think there is any widespread difficulty, but these people are in the business that is ordinarily controlled by the securities commission or by the stock exchange regulations, but evidently they are free of all of this control. I think the Minister should concern himself with this in the next few months.

Hon. Mr. Rowntree: There is our present Securities Act with its specific exemption not requiring banks to register as salesmen or brokers.

Mr. Nixon: Perhaps it would not necessarily have to be the banks, but the personnel, specifically, who have this responsibility should be registered.

Hon. Mr. Rowntree: I would be glad to look into it.

Mr. Shulman: Mr. Chairman, on this particular point, may I suggest that it is going to be one heck of a massive job, because right down to bank managers we have advice being given. I should think that very often the elderly widow will have more confidence in her bank manager, at a local level, than in any central person. I think if you are going to start registering every bank manager, you are going to have a pretty difficult job. May I suggest on this point that—

Mr. Nixon: Well, it may very well be that not every bank manager should have the right to do this, if there are some indications that their advice is not in the best order, and perhaps that their business acumen is not equivalent to the confidence that is placed in them.

Mr. Shulman: May I suggest to the leader of the Opposition that from my knowledge of banking, and I have had some contact with bank managers, as the member from Grey South has referred to in the past—

Mr. Nixon: So have I, he phones me every weekend.

Mr. Shulman: Bank managers are under very strict regulations as to the investments they may make or advise, and they may not make the investment themselves. It has to be channelled through the investment department of the bank itself which is at the headquarters. The result is that I should think that bank managers are under closer supervision as to what they do with their clients' funds than are probably any other customers man or securities dealer. So, I think that this is probably an area in which there is not too much worry, and perhaps one in which we should not expend too much energy.

To my knowledge, I have never heard of scandal in this particular field. I have never heard a complaint from a client about being given bad advice by bank managers. They often give too conservative advice, but certainly I am sure that no bank manager gives bad advice.

Mr. Nixon: It is not a matter of advice.

Hon. Mr. Rowntree: I think maybe it would be desirable if I were to just read this section so that we will have the whole clause before us. Section 18 says:

> Registration as an investment council or securities advisor is not required to be obtained by (a) a bank to which The Bank Act of Canada applies, or The Industrial

Development Bank Act of Canada, or a loan corporation or trust company registered under The Loan and Trust Corporations Act, or an insurance company licensed under the Insurance Act.

And (b) a lawyer, accountant, engineer, or teacher, whose performance of such services is solely incidental to the practice of his profession.

You see, this is a general pattern of the exemptions which even goes on in section (d) to exempt a publisher of any bona fide newspaper, news magazine, or business or financial publication of general and regular paid circulation. So there is quite a background to this matter.

Mr. Shulman: Mr. Chairman, under this particular vote, I would like to discuss with the Minister, through you, sir, the matter of the new increased schedule of fees that have been brought down under the Ontario securities commission through subsection 1 of section 3 of Ontario regulation 101-67. As the Minister is aware, and as we are all aware, there has been a substantial increase in those fees.

However, there is one comment here which I find rather intriguing. I would like to go on to the matter of fees. I think perhaps there is some error in the way they have been made up, but I am quoting the *Globe and Mail* of June 29, 1968. The heading is "OSC to Increase Fees July 1 for Registration and Filings" and it says here:

The Ontario securities commission will increase the fees it charges for registrations and filings effective July 1 to offset partly the cost of operations, according to H. E. Langford, OSC chairman.

Revenues are about $445,000, and the current budget requires $889,000. The increases will add an estimated $175,000 annually to the OSC's income.

Then the point, of course, I am coming to:

Mr. Langford said the commission does not expect to recover all of its costs because it operates as a public service.

I find this very interesting because I would like the government to be consistent in all the things they do. You may remember recently when we were discussing the increases for provincial parks and fishing and hunting licences, at that time the government expressed the principle, sir, that the fees must equal the cost of administration and servicing. I should like to think that the same principle would apply when we are dealing with the wealthy in this province—that is the security registrants, those making filings—as we do when we are dealing with those who wish to do a little fishing or hunting.

So, I would like the government to decide where they stand. Should things run as a public service be covered by the fees, or should they be covered out of public funds, you seem to be quite inconsistent.

The second matter on this item. I have the schedule of fees here in front of me and I would like to suggest that the preponderance of the raise in fees should go to those who are able to pay. That is, the brokers, investment dealers, or broker dealers, or the underwriters or the companies, because, to a company doing a registration, or doing an underwriting, $1,000 may be a very minor matter. To the large companies $10,000 may be a very minor matter. But, to the salesman who is earning a living and depending on his commissions to make his living, $75 can be a very important thing.

I would suggest to the Minister that this $75 fee for registrations, or renewal of registrations of salesmen is too high and will represent, in many cases, far more than a day's pay. I would like to suggest that this has been raised too high.

The added income necessary should be raised in the areas where it would not be felt so seriously, in the underwritings. Underwritings are very, very expensive matters. They often cost $100,000 and more. The brokers handling the underwriting will often charge far in excess of this, if it is a large underwriting and a $150 charge is really very tiny. I would like to suggest that as far as underwritings go, perhaps the charge should be in relation to the size of the underwriting, which would allow you to decrease the charge given to the salesman.

One other question I would like to ask under this matter. I am rather intrigued that the underwriter pays $250 in fees to Metropolitan Toronto, but $150 if he is outside Metropolitan Toronto. I want to ask, is that because the registrants in Metropolitan Toronto are more dishonest and require more supervision, or is there some other reason that the Minister could explain to me?

Hon. Mr. Rowntree: No, it is related to the volume of business.

Mr. Shulman: Oh. Well, if it relates to the volume of business, why is it not charged according to the volume of business? Some of the very large underwriters are not in this city; they are in some of the other cities in

the province. The way you have set it up, one is penalized if you underwrite in this city.

The whole set-up is, perhaps, not too well thought out. May I suggest to the Minister that he go back with his advisers and perhaps bring a better system of charges set up as he suggested just now—as I have suggested—according to the volume of business and to the size of the underwritings?

Mr. Chairman: Vote 702. The member for York Centre.

Mr. Deacon: Mr. Chairman, I want to go in some detail into the answers that were given today to my questions of last week about Prudential Finance Corporation and the problems that I see arising in this situation that I still do not feel have been adequately answered.

The first question that I asked was to do with verifying the accuracy and determining the adequacy of information provided by the officers and directors of Prudential in a prospectus dated June 14, 1963. I am asking this question primarily because of the practice that I feel should be followed by the securities commission in future to alleviate, and maybe prevent, the situation that has arisen here.

If you look at this prospectus, you will find that the company balance sheet is very thin indeed—the liabilities were almost the same as the assets. In a situation like that, where no underwriter was involved and trying to ascertain the merits of this issue as an offering to the public, they would have been very concerned about a situation where the equity, or the capital behind the company, was so thin.

I think the commission should undertake a different type of investigation, when no underwriter is involved on behalf of those that are going to be buying the securities. After all, an underwriter hopefully is looking to the future of his business and his relations with his client and therefore is going to endeavour to see that their interetss are looked after.

In the case of Prudential, or any other company that is proposing to offer securities directly to the investing public, I think special care and checking should be required and the fees of the commission should be charged accordingly. I agree with the previous speaker, the member for High Park, that the prospectus fees should cover the cost in full of the work done by the commission because, as he mentioned, large amounts of money are involved. The fees of the legal and auditing firms that are involved are very substantial and we know that if the commission is going to have good work done that they are going to have to have pay experts to look into these matters fully.

I suggest that, where no underwriter is involved, the fee should be larger, so that the commission is in a position to do an extra check and be sure the information is thoroughly investigated.

There are many sections in these assets statements that would raise questions on the part of an underwriter examing them, and I think that the commission should make it a practice—and I would hope I would receive assurance from the Minister that they will be making it a practice in future—to treat prospectuses in a far different manner, where no underwriter is involved, than where the company does have to satisfy such a third party as to the merits of its prospectus.

The second question dealt with an indication of sales debentures being made to other than existing holders of the debentures after June, 1964, when the prospectus went out of date. I notice in that case that there was an updated circular issued and approved on December 4, 1964, when the document was prepared and approved by them. But what is done by the commission to see that these documents are made available to the public at large?

How, when there is no responsible body, such as the investment dealer in the case of normal offerings, who is going to suffer as a result of having a complaint made against it—how are we going to ensure that the public is aware of the fact that they should be getting circulars, or have prospectuses, whenever offerings are made?

I now understand from the Minister's answer about these meetings, seminars, we have been having—that the department has been having, that the seminars have been on consumer protection, rather than securities protection. In that regard I think it is very important because of that, that the securities commission undertake a programme, if the department is not, of making the public aware of the precautions they should be taking.

The third question has to do with why the order was granted, or issued, to discontinue sales of debentures. I see there was another reason. I had thought there was really no indication, other than they are somewhat concerned about the financial position of the company—is that correct?

The strange thing is that there is no check made as to the practice of the company after an order has been issued. There should

be some way that we can find out whether a company is adhering to the orders of the commission. It seems useless for us to have laws and orders unless we have a way of ensuring and having a check made as to whether these laws and orders are being complied with.

Hon. Mr. Rowntree: I am instructed on that point that the commission did interest itself in the company, but there was no further issue of securities.

Mr. Deacon: I was informed by some of these debenture holders that they, in fact, were offered securities all through this period.

Hon. Mr. Rowntree: Was that not trading among themselves?

Mr. Deacon: I beg your pardon?

Hon. Mr. Rowntree: It was trading among themselves, I understand.

Mr. Deacon: They were offered securities by the company officers during this period.

It has also been indicated what action the OSC took to enforce the Act, but what is rather pathetic are the sentences that have been meted out and the actual results of the steps taken by the securities commission. If the penalties are going to be so lenient for stealing such large amounts of money, it certainly should turn some of our less desirable portions of our society into this form of stealing because they know the penalties are rather small and infinitesimal compared to those if you go to a corner store and hold it up. They are doing far worse in the way they carried through their operation here and it seems to me that the penalties we are setting down in our regulations for breaches of the Act are far too light.

I would appreciate the Minister's comments on the results of the actions taken to date. They do seem very, very light in view of the seriousness of the whole affair.

Hon. Mr. Rowntree: Sentences and punishment is one type of deterrent for wrongdoers and would-be wrongdoers. If the sentences are not performing the function and acting as a deterrent, maybe they will have to be stiffened up. We were approaching a little earlier this afternoon this element of criminal intent and wrongdoing and, the fact is, I know of no law that will stop somebody from committing a criminal offence if he is determined to do it.

Whether it is theft or fraud, conversion, any of those matters, it is really an offence against society. But as the magistrates or the judges themselves, of course, we have no control over their judgment in that matter.

Mr. Deacon: Mr. Chairman, could the Minister tell me if the sentences or penalties are not part of the regulations for breaches of the Act, are they not included in the regulations? Is it completely in the hands of the court?

Hon. Mr. Rowntree: In one instance they could have gone to jail for a year and the presiding judge imposed a fine, not a jail sentence. I would think that the option of a year in jail would be a pretty serious penalty to contemplate.

Mr. Deacon: Well, it certainly is sad that a person can steal millions of dollars and have a fine in this matter and yet if they hold up a bank they are apt to get many, many years.

Going on to the next question, that of the Metropolitan Trust Company, one of the matters that really bothered me in this study and listening to the people who were the victims of the whole affair, was their assumption that when the word "trustee" came into it, it actually had some meaning. I can see from the opinion of Osler, Hoskin and from reading the covenants and the prospectus that there was very little in that trusteeship at all. It was a very, very loose covenant. There was no one taking the position of the security holders, representing them, when that trusteeship was drawn up. I think this is something that should be recognized and should be put before the trust companies themselves as to a solution to the matter. I do not think—

Hon. Mr. Rowntree: Just on that point. It has already been dealt with and, under the regulations, I think you will find in No. 55 in 1968, there are minimum standards for clauses to be contained in trust indentures with respect to finance companies.

Mr. Deacon: Yes, Mr. Chairman, I know there is with regard to finance companies but it may not be the Prudential Finance Company the next time, it might be the Zambeck Corporation or some other name of a company that is putting out securities and doing it on its own hook without an intermediary. I feel that regulations of this sort should not be just confined to finance companies; it is the matter that a trustee, when it is on a document, should have some responsibility

in being sure that they are not misleading the public—

Hon. Mr. Rowntree: Bill 125, dealing with companies generally, has the same position as we have for finance companies having to do with corporations generally.

Mr. Deacon: I thank the Minister, Mr. Chairman, I have not studied that bill in depth yet and I appreciate the Minister bringing it to my attention.

One of the problems of the Metropolitan Trust action that did concern me was that they presumably were accepting, from what I could read, debentures that had matured and issuing debentures—accepting them from the company by means of a subsidiary which presumably had been the buyer, they were changing and re-issuing those securities, not the same term but of a new term. In other words, when a person wanted to have his security redeemed and the company did not want to have to comply with the regulations of the department regarding a new offering, it had a subsidiary buy the debenture that was about to mature and it then took that debenture to the trust company, had the trust company issue a new security for an extended term and that security was sold to another buyer. It was sold by the subsidiary company to circumvent the regulations.

How is it that Metropolitan Trust would have been issuing a new security of a different term and not just acting as a transfer agent in this case of the same security? The company with the collaboration of the trust company, as I can read it, was circumventing the regulations.

Hon. Mr. Rowntree: If that situation were to exist today, we could lay a charge and would.

Mr. Deacon: Well, if it existed today you would lay a charge. Why could you not lay a charge for what occurred at that time? Why has the Metropolitan Trust not been charged for the situation?

Hon. Mr. Rowntree: It just was not done.

Mr. Deacon: In that case, would the Minister then suggest to the legal counsel for the securities commission that they do lay charges, because I feel that this responsibility of trust companies should not be allowed to go by lightly; especially in this case because the trust company in itself knew the precarious condition of the company. It, out of its own funds, advanced the moneys for an interest payment prior to the time the company went into default; it had seen the trouble flag and surely its responsibility was not to the company but to the people who recognized the name trustee as being their trustee, the trustee for the debenture-holders.

Hon. Mr. Rowntree: Well, Mr. Chairman, the opinion of Messrs. Osler, Hoskin and Harcourt with respect to the possible liability of the trust company over the situation expressed some very serious doubts as to the chances of success in any action brought against them and, of course, that is one of the first considerations in the civil suit—to see if you can get your losses back and to restore the injured parties to their former position. The opinion of that law firm was that they did not recommend any action because they did not think it would succeed.

Mr. Deacon: Mr. Chairman, I suggest that the opinion of Osler, Hoskin did not deal with this particular aspect of the matter and they did not question this situation as I read their opinion.

I would ask that the Minister perhaps obtain another opinion on this particular matter, and I would appreciate a report or a copy of that opinion when it is obtained. I think this is a very important contravention of normal trusteeship position. Would the Minister undertake to obtain another?

Hon. Mr. Rowntree: I see no objection to that at all.

Mr. Deacon: I believe that these matters are covered pretty well. The balance of the questions are answered and I appreciate the answers you gave me for the balance of the questions that I provided you with as far as Prudential is concerned. But as you can see there are many, many points in Prudential that can teach us a lesson so that we might be able to prevent a recurrence of this unfortunate debacle.

I would like to ask the Minister if there is is an improved study being given to streamlining the insider reports. We are now provided with very lengthy cumbersome forms as the member for High Park has mentioned. He mentioned that he doubted whether much enforcement of failure to report was being carried out. I do not care to find out myself what would happen if I did not report, but in any event, what is the follow-up on the insider report?

Is there a way of streamlining them so that we are immediately made aware of situations where people are not reporting

properly, or where there are any breaches? Is there a way of following up and checking breaches of this regulation?

Hon. Mr. Rowntree: Yes, there is. That follow-up is done.

Mr. Deacon: Is it on a computer system now, or going on a computer system as a result of the regulations you brought in this—

Hon. Mr. Rowntree: We are not on a computer system, and the advice we get is that it is not sufficiently large to justify computer application.

Mr. Deacon: Has there been much study given to combining the corporate reports under one department so that the company's branch comes over under your control rather than the control of the department of the Provincial Secretary?

Hon. Mr. Rowntree: That matter has been considered and I would think in the not-too-distant future the government would make its position known on that point.

Mr. Deacon: Mr. Chairman, the Ontario securities commission publishes a monthly bulletin and occassionally in the bulletin is a statement which I had felt we could assume would express the policy of the commission. But during the Wee Gee hearings this winter, when a certain statement was referred to, I understood the chairman to state that the security commission publications are not to be always construed as the policy of the commission. Would the Minister clarify whether the bulletins can be relied on or not?

Hon. Mr. Rowntree: The weekly summary is published for information only. There is a different side to the matter. But the monthly bulletin would be policy—

Mr. Deacon: I am referring to the monthly bulletin, Mr. Chairman.

Hon. Mr. Rowntree: —but the weekly summary for information only.

Mr. Deacon: Was the matter referred to in the Wee Gee hearings that of a weekly bulletin only?

Hon. Mr. Rowntree: It is my understanding that the Wee Gee matter was in the weekly bulletin.

Mr. Deacon: I mentioned earlier the matter of the prospectuses and the new schedule of fees, and my concurrence with the schedule reflecting and certainly compensating the commission fully for the cost involved in a study of prospectuses, because if the commission thereby has the funds to employ expert staff and teams to deal with prospectuses, perhaps the delays in prospectuses could be cut down considerably.

Hon. Mr. Rowntree: I do not want to be picayune about the matter, but the revenue, of course, ends up in the consolidated revenue fund.

Mr. Deacon: Would not the matter of fees come under this heading?

Hon. Mr. Rowntree: Yes.

Mr. Deacon: Well, the reason I am bringing it up is because I believe that fees should be such that we can have a very strong staff, one capable of dealing promptly and expertly with prospectuses and so that the minimum delay occurs between the time the prospectus is submitted and the time a letter of deficiency is provided.

There is no need for this commission to be subsidized by the taxpayers. I am sure it can stand on its own feet, or the investing community can certainly support it fully.

I mentioned that experts in institutional investments can provide answers and very complete answers and their views of prospectuses in the matter of a day or two. It would be certainly a step in the right direction to have the commission speed up and strengthen their filing on the prospectus side of its operation.

I would appreciate hearing from the Minister if steps are being taken to strengthen further the staff to minimize delay in receiving deficiency letters.

Hon. Mr. Rowntree: I think that we will alwas be directing our energies in that direction, to see that the backlog, or the time-lag factors, are kept to a minimum. Of course, there is the question of training of staff. My own view about staff at the commission is that we will always be a training ground in this field.

I think the instruction, the education that chartered accountants and lawyers receive in the course of their association with the commission gives them a valuable asset which is, frankly, pretty readily marketable.

This has been the experience in the United States and I think it is something we will just have to live with. But, actually, it is a

good thing to have, people exposed to training and experience in the commission and then go back into, shall we say, the street taking with them that knowledge and experience.

Mr. Deacon: Mr. Chairman, I would concur with the Minister in saying that it is an advantage to have some rotation. I do not think the securities commission should be a training ground for people to understand the basics of a prospectus. Perhaps we can get people experienced already in the industry into the securities commission for a period of time and then they can go back out into it.

But the staff conditions, the atmosphere, pay conditions are only part of it. These can certainly make people feel quite happy and satisfied, providing a contribution to the economy of the country by their work in the securities commission. The staff turnover that I noted in the first six months of this year was particularly heavy and I was wondering if things have settled down, that this turnover was due to the fact that a lot of new staff had been brought on last year with the expansion of the department and it was a matter of sorting and sifting. Is there evidence of the situation settling down a bit now, or is it still a difficult matter?

Hon. Mr. Rowntree: I do not regard it as a continuing difficult matter. On the occasion of an earlier question to which the hon. member makes reference, I looked at and sampled the turnover problems, particularly with respect to professional people. While it seemed maybe slightly large on the face of it, on analysis it turned out to be quite reasonable with the high degree of opportunity for placement elsewhere and that sort of thing.

This question leading ultimately to the morale would be something that would be uppermost in our minds, on a continuing basis.

Mr. Deacon: Mr. Chairman, I raised the matter because I did have a list of several professional lawyers, statisticians and investigators who had left since the beginning of the year and it made me wonder whether there was some special reason for this that we should be looking into.

Now in the investigation situation I was appalled by the fact that it took seven weeks for the commission to decide to hold a hearing on Wee Gee—seven weeks after they received the information from the brokers concerning the activities of these brokers in that stock. It was during that period that the stock rose very sharply and many people would have been buying it on the rising market. I would appreciate getting some explanation and knowing what steps the commission is doing to speed up their analysis of situations of this sort.

Mr. Sargent: Does the Minister not know the answer?

Hon. Mr. Rowntree: The problem of the Wee Gee situation was that it was an unlisted stock and so the powers of the commission did not apply in those circumstances.

The current legislation was effective on June 13 of this year and now covers that situation. I do not think the example that the hon. member cited would as easily recur again.

Mr. Deacon: Thank you, Mr. Chairman: The matter of mutual funds has been brought to my attention and I brought it to the Minister's attention on more than one occasion because the study is currently going on and I understand it is going to continue for perhaps another year or so before there will be a report. Yet, the commission decided arbitrarily to put limitations on the commissions that could be charged, management fees that could be charged in the operation of these mutual funds and it has caused a great deal of distress, which was very vocally presented to the commission I understand, by those who had been doing a particularly good job in managing their funds. They felt that they were being given incentives to continue to do an above average job. They were not being paid the same as an ordinary run-of-the-mill mutual fund and, in view of the fact that when the avowed principles behind the operation of this department is to not inhibit or unduly discourage good operation, I would appreciate having the Minister explain why this arbitrary action would have been taken in the case of the mutual fund management fees.

Hon. Mr. Rowntree: The question of fees and the management fees in the mutual funds has been a matter of considerable research and study, particularly in the United States, and it is currently being looked at here in Canada. It is one of the areas where, in the judgment of the commission, they came to the conclusion that the schedule of fees should be modified and so this was their recommendation.

Mr. Deacon: Mr. Chairman, what would have brought about that sudden decision on the part of the commission? Were there a lot of complaints about the fees being

charged? Were those people who were owners of the shares—the companies affected—complaining about their operation?

Hon. Mr. Rowntree: No, there were when some of the companies started to charge quite high fees and the commission felt that they should not wait until the committee report came down. They felt they had a duty to move when they did.

Mr. Deacon: Mr. Chairman, when these companies were charging higher fees, was disclosure of this change in their management fee made to the shareholders or was it something they kept to themselves and did not reveal?

Is this what was upsetting the commission?

Hon. Mr. Rowntree: It would be, if that information would have been disclosed.

Mr. Deacon: Well if it was disclosed did it cause objections or bring about objections from the holders of these securities? These higher fees certainly would not have been tolerated. There would have been some objection, or the people would have disposed of their shares.

Hon. Mr. Rowntree: No, the commission felt that it was approaching the unconscionable stage.

Mr. Deacon: Mr. Chairman, I feel that as long as there is disclosure and these funds are competing with other funds in performance and in their whole operation, people are quite free to sell them, that the commission is acting in an arbitrary and improper manner in interfering unless and until there is result from the study of the Canadian mutual funds committee. I feel that we have already caused one of the funds to cease its operation as a mutual fund—and probably one of the most successful ones we have got in the country—and this is completely contrary to one of the basic principles the Minister stated about this department.

Mr. Sargent: Mr. Chairman, this red confession of the department; each year they hand out. It has got a very heavenly red and is very fitting in this department; but this is where most people are, who had dealings with the stocks over the years such as Prodential, British Mortgage, and Atlantic Acceptance.

There is a very charming picture of the Minister on the fly leaf here. That was a retouched job if I ever saw one. That was by Egbert C. Reid, and it probably cost the province about $5,000 for the art job on it.

Hon. Mr. Rowntree: That excellent portrait is my own personal property.

Mr. Sargent: Mr. Chairman, the field of the Ontario securities commission is a very involved and intricate field and I suppose that I really should not question authorities like the Minister on certain things, but we have some things that I would like to know about insofar as the police state we are living in here in the city of Toronto, by the apparent lack of the interpretation of the laws as far as wire tapping and electronics are concerned. I see on page 45 in the opening paragraph of the Ontario securities commission that it says: "To the Ontario securities commission is entrusted the establishment and surveillance of the standards and procedures of transactions in securities in the province of Ontario." And then on the second page it goes on to say that major investigations are conducted by teams of lawyers, accountants, and investigators, and then it goes on to page 49, the investigating section, under the supervision of the chief legal investigation officers.

Now, this goes on page 50 to show the number of prosecutions in 1966-67, and we have 146 informal investigations still pending and 249 outstanding cases, and I would like to ask a few questions of the Minister. In this department, who is the trigger man, the chief investigation officer in the Ontario securities commission *per se*, here? Is it Mr. Bray?

Hon. Mr. Rowntree: No, it is Mr. B. C. Howard.

Mr. Sargent: What is Mr. Bray's function in the department?

Hon. Mr. Rowntree: He is the director.

Mr. Sargent: And you pay him $6,999 for this job?

Hon. Mr. Rowntree: Did you say $6,900?

Mr. Sargent: $5,999, it is under salaries for Mr. Bray.

Hon. Mr. Rowntree: No, that is a portion of the—

Mr. Sargent: What do you pay him now?

Hon. Mr. Rowntree: $22,500.

Mr. Sargent: He gets double a member of Parliament's money!

An hon. member: Yes, but he is worth it.

Mr. Sargent: He is worth it? Above average? Well, plus expenses is right! This

is a great ball of wax for us to try and get into; to try to find the answers to some questions. The chief investigating officer you say is a Mr. Who?

Hon. Mr. Rowntree: Mr. Howard.

Mr. Sargent: Well, what are the tools that he uses in this investigation? Does he use any electronics, eavesdropping equipment? No wire tapping?

Hon. Mr. Rowntree: Absolutely not. He is not connected with wire tapping at all.

Mr. Sargent: How do you know that?

Hon. Mr. Rowntree: Well, I am so instructed, and if it were any other way, I would be into it myself and stop it.

Mr. Sargent: Well, it is just a matter of the Minister saying that there has been no wire tapping in these investigations—

Mr. Chairman: The subject of wire tapping is out of order.

Mr. Sargent: Mr. Chairman, I am talking about investigations under this Act, on page 45, it is right here.

Mr. Chairman: I say to the member that the matter of wire tapping has been completely and thoroughly discussed and debated in this House, and it does not come under this matter.

An hon. member: You missed it!

Mr. Sargent: I know that I was not here. Mr. Chairman, I asked 37 questions this year on wire tapping to get this thing going. I knew that it was going on. He says it has not been going on and I know it has been going on.

Mr. Chairman: Order! The member will refrain from debating wire tapping.

The Ontario securities commission, vote 702.

Mr. Sargent: The Minister says that it is not happening in his department at all, it never has happened.

Mr. Chairman: We will not discuss or debate wire tapping.

Mr. Sargent: How have you got the power to make that ruling sir? I do not know that.

Mr. Chairman: I happen to be chairman of the committee.

Mr. Sargent: That is a pretty good start!

Mr. Chairman: You voted for me.

Mr. Sargent: Would the Minister then advise on the Toronto stock exchange, what is the cost of a seat on it?

Hon. Mr. Rowntree: Current markets vary.

Mr. Sargent: $10 or $100,000?

Hon. Mr. Rowntree: At the moment it is in the general area of $65,000 to $70,000.

Mr. Sargent: Are these seats limited to a certain number of men?

Hon. Mr. Rowntree: It is a limited private operation.

Mr. Sargent: And they name how many people will be on that board? You have nothing to say about that?

Hon. Mr. Rowntree: All the bylaws of the stock exchange require the approval of the securities commission.

Mr. Sargent: So the lives and fortunes of 7 million people, fluctuate with the goings-on on Bay Street. It is a private club that can limit the number of people who will sit on the board and who they shall be, and we have nothing to say about it?

Hon. Mr. Rowntree: Mr. Chairman, I do not think that I would put it quite in that light. I think that you will find that this is a pretty responsible operation. The internal set-up of the stock exchange is that they separate the administration people from the policy side. They have taken Mr. J. R. Kimber, who was formerly the chairman of the securities commission, as president of the exchange and the chief administration officer, and his is an arm's-length relationship with the directors.

Mr. Sargent: The fact is then that we have this yardstick or criteria of $55,000 to be a member of this club? At this point the people of Ontario have nothing to say about the personnel of that board. I think that this is an area that needs great study. Mr. Chairman, may I ask the Minister, who set the fee that the stock exchange charges for the operation?

Hon. Mr. Rowntree: In the final analysis, the securities commission.

Mr. Sargent: Will the Minister advise as far as the investigating commission is concerned here, what is the reason for the fact that 146 informal investigations were carried over from 1966? In 1967, 253 were com-

menced, making a total of 339 investigations. Now, these are informal investigations. What is the difference between an informal investigation and a formal investigation?

Hon. Mr. Rowntree: Section 21 of The Securities Act bears on this matter and sets out the powers which we are talking about.

Mr. Sargent: I still do not know the answer.

Hon. Mr. Rowntree: Section 21 is the first section of part 3 under the general heading of investigation and action by the commission. It is quite a lengthy section, but once whereupon a statement made under oath it appears probable to the commission that any person or company has contravened the provisions of this Act or the regulations, or committed an offence under the criminal code in connection with the trading of securities, the commission may by order, appoint any person to make such investigation as is deemed expedient with a due administration of the Act, and shall in the order determine and describe the scope of the investigation.

Mr. Sargent: That is the formal investigation?

Hon. Mr. Rowntree: That is formal. Yes.

Mr. Sargent: Criminal involvement—

Hon. Mr. Rowntree: Or it could be a breach of the Act. Plus a criminal—

Mr. Sargent: We have 19 criminal investigations still not settled; that is, of 1966-1967? The investigation is not final.

Hon. Mr. Rowntree: It could be. Yes.

Mr. Sargent: Would you define it as informal investigation?

Hon. Mr. Rowntree: An informal investigation would be in the course of business—by sending out a letter or making a telephone call, and asking for information.

Mr. Sargent: With no charges laid?

Hon. Mr. Rowntree: There might, or might not be.

Mr. Sargent: We have the 19 criminal cases still pending, and 249 informal cases still pending? Would you tell me, what was Viola MacMillan, a formal or informal?

An hon. member: She was formal!

Mr. Sargent: Then you have have 19 cases of the same—

Hon. Mr. Rowntree: As a matter of fact, slightly more formal than that, because that developed out of a Royal commission public enquiry.

Mr. Sargent: You have 19 cases of the same parallel—still pending, and 249 outstanding too.

Could the Minister advise me, could the Viola MacMillan case happen again?

Hon. Mr. Rowntree: There is only one answer to that. As long as there is any criminal intent, of course it could happen again.

Mr. Sargent: You have no machinery to block this happening again then?

Hon. Mr. Rowntree: There is no absolute remedy that could stop that sort of thing, any more than you can stop people from speeding. But we hope that the deterrents in the law are sufficiently strong that it will not happen again.

Mr. Chairman: On vote 702. The member for Riverdale.

Mr. J. Renwick: Mr. Chairman—

Mr. Chairman: Will the member have many remarks?

Mr. J. Renwick: I have some remarks, but I have a question that I want to give the Minister the opportunity, during the dinner adjournment and otherwise, to recall, so that he can give me an accurate answer to the question.

The question which I wanted to ask him is, whether or not, during the period from February 13, 1968 to March 5, 1968 the Minister had any discussions with either any members of the Ontario securities commission, or any members of the staff of the securities commission, about Prudential Finance Corporation Limited, and specifically, about the submissions made by the Prudential Finance creditors association to the commission on February 13, 1968?

This is the question that I would like the Minister to consider during the adjournment and give me his answer. I have a number of comments I want to make, and it seems to me to highlight and to pinpoint the remarks that I want to make. It is crucial that I know whether or not discussions did take place between the commission and the Minister during that period of time.

It being 6:00 of the clock, p.m., the House took recess.

APPENDIX

(See page 5339)

2. *Mr. MacDonald*—Enquiry of the Ministry—(a) in the current fiscal year, how many breeders received grants from the government's annual grant made to the Canadian thoroughbred horse society? (b) What was the total amount of the grants paid? (c) What breeders received in excess of $1,000 in individual grants, and how much did each of them receive?

Answer by the Provincial Treasurer:

(a) 181 (1967-68).

(b) $84,879.10.

(c) The Canadian thoroughbred horse society awarded to the following the amounts shown:

Jack Hood Farm	$ 2,104.00
D. G. McLelland	2,605.50
E. C. Pasquale	3,440.00
Armstrong Bros. Co. Ltd.	1,667.75
D. Banks	2,715.50
Bill Beasley	5,052.25
Mrs. M. J. Boylen	1,226.62
Conklin Farm Ltd.	1,160.25
Mrs. R. A. Dew	1,097.50
Gardiner Farms	2,683.75
Gardiner Farm and G. M. Bell	1,371.00
J. T. Sabiston	1,332.00
P. A. Sherwood	1,079.00
C. Smythe	3,350.50
Stafford Farm	2,261.00
E. P. Taylor	14,657.87

20. *Mr. Ferrier*—Enquiry of the Ministry—In view of the fact that the Provincial Treasurer announced that Ecstall Mining Company are paying taxes to the province, will he inform the House under what Act or set of regulations they are paying these taxes?

Answer by the Privincial Treasurer:

Ecstall Mining Limited pays provincial taxes but it is not possible, nor is it in the public interest, to inform the House of the statutes or regulations under which it or any taxpayer, corporate or individual, pays taxes to the Provincial Treasurer. In addition, most of the statutes contain provisions to ensure that the information on a taxpayer's financial affairs will be kept secret.

21. *Mr. Ferrier*—Enquiry of the Ministry—Will the Minister inform the House of the actual cost to the province of building the rail spur for Ecstall Mining Company?

Answer by the Minister of Energy and Resources Management:

Nil.

Arrangements were made whereby the Ontario northland transportation commission constructed the spur line on behalf of Texas Gulf Sulphur Company at a total cost estimated to be $4,198,699.87.

The agreement leasing the spur to Texas Gulf Sulphur Company provides for repayment of the commission's investment plus 6 per cent of the same in 20 equal annual payments commencing on the 4th November, 1967, together with interest at 6.5 per cent per annum on the declining balance.

40. *Mr. Edighoffer*—Enquiry of the Ministry—1. What is the current status of the plan to install combustion-turbine generators to meet peak power demands? 2. What is the relative cost of power produced by this means: (a) In relation to base load power produced by hydro generation? (b) In relation to such power produced from coal-fired plants? (c) In relation to best achieved figure for nuclear power at Rolphton or Douglas Point?

Answer by the Minister of Energy and Resources Management:

1. To supplement peaking capacity and to provide independent power service for start-up purposes at existing thermal stations, 27 combustion turbine units, having a total installed capacity of 319,000 kilowatts, were placed in service by the Hydro Electric Power Commission of Ontario during the period November 1965 to February 1968, inclusive. A further six units with a total installed capacity of 45,000 kilowatts will be placed in service during 1970 and 1971 as standby units at Pickering generating station.

No other commitment has been made to install additional units.

2. It depends on how these combustion turbine units are used. If in the unlikely case that these units were to be operated on a base load power basis the total cost of producing a unit of energy would be:

(a) Over three times that of existing base load hydro-electric generation, that is, Robert H. Saunders–St. Lawrence generating station;

(b) Over twice the cost of coal-fired plants;

(c) Over twice the estimated cost to the Hydro Electric Power Commission of Ontario of power from Douglas Point nuclear power station when it will have been purchased under an agreement between Atomic Energy of Canada Ltd. and the Hydro Electric Power Commission of Ontario.

On the other hand such turbine units, which are being installed by many utilities, are not normally operated as base load units. They are used to help meet peak demands and therefore such cost comparisons are unrealistic.

47. *Mr. MacDonald*—Enquiry of the Ministry—(a) How much insurance was bought for coverage of property owned by the provincial government, or agencies thereof, through the insurance committee under the direction of the Minister? (b) What were the total premiums paid? (c) Does the insurance committee handle all insurance for property of the provincial government or agencies thereof? (d) If not, what is the breakdown of coverage and premiums, by departments or agencies, of insurance bought directly?

Answer by the Minister of Financial and Commercial Affairs:

(a) $17,627,638.

(b) $25,651 per annum.

(c) No.

(d) Ontario water resources commission: Coverage $50,474,400; Premium $53,293 per annum. Ontario hospital services commission: Coverage $1,515,000; Premium $1,644 per annum. Liquor control board of Ontario: Coverage $17,300,000; Premium $9,600 per annum. Ontario Northland Railway commission: Coverage $2,200,000; Premium $48,570 per annum. Workmen's compensation board: Coverage $15,269,000; Premium $6,677 per annum. Hydro Electric Power Commission of Ontario: Coverage $25,000,000; Premium $74,580 per annum.

57. *Mr. Paterson*—Enquiry of the Ministry—(a) What is the current view of the Ontario municipal board in relation to financing of self-liquidating municipal debts such as water treatment plants, and the normal borrowing limits of a municipality? (b) Are discussions being held by the Minister's officials to re-evaluate this type of municipal financing to allow or encourage the development of this type of facility, through the municipalities' own financing rather than that of a public agency such as the OWRC?

Answer by the Minister of Municipal Affairs:

(a) The chairman of the Ontario municipal board advises that the board considers the approval of a certain amount of long-term liabilities that may be in excess of the normal borrowing limits of a municipality, if the amounts of the principal and interest payments to service the additional long-term liabilities are not to be provided from taxation, but are to be recovered from rates such as electricity rates, water rates or other special rates.

(b) Municipalities may finance the cost of water facilities by way of long-term liabilities issued to either the public or to OWRC. OWRC is authorized to borrow from the province and to use the funds borrowed to finance the cost of water facilities. The provincial funds are made available by OWRC to municipalities at rates of interest which are approximately 1 per cent lower than the rates of interest which the municipalities would secure were they to borrow such funds from the public. OWRC has been approached to finance the cost of a greatly increased number of local water facilities as the result of the availability of these provincial loans.

58. *Mr. B. Newman*—Enquiry of the Ministry—How much has it cost the province of Ontario in salaries, office rentals and all other administrative outlays to collect Ontario succession duties for the years 1964 to 1967, inclusive?

Answer by the Provincial Treasurer:

The direct costs incurred in operating the succession duty branch of The Treasury Department, plus payments made by The Department of Public Works for leased premises, are as follows:

	For Fiscal Year Ending			
	March 31 1964	*March 31 1965*	*March 31 1966*	*March 31 1967*
Salaries	$616,552	$640,386	$685,097	$823,112
Leased premises	57,636	50,100	50,100	8,350
Other costs	72,471	76,100	106,382	114,888
	$746,659	$766,586	$841,579	$946,350

No. 142

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Tuesday, July 9, 1968

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JULY 9, 1968

The House resumed at 8 o'clock, p.m.

ESTIMATES
DEPARTMENT OF FINANCIAL AND COMMERCIAL AFFAIRS
(Continued)

On vote 702:

Mr. J. Renwick (Riverdale): Mr. Chairman, I asked the Minister a question just before the dinner adjournment. I do not really need the answer at the moment but sometime at an appropriate point during the course of the evening perhaps he would give me the answer.

Mr. V. M. Singer (Downsview): He spent the whole dinner hour looking up the answer.

Mr. J. Renwick: I know. My question was simply whether or not during the period from February 13, 1968 until March 5, he had had discussions with the Ontario securities commission about Prudential Finance Corporation, and specifically about the submission of the Prudential Finance creditors association of February 13. I hope the point of my question will come out later on this evening.

I do not intend, Mr. Chairman, to review the tragic financial history of Prudential Finance Corporation. That was done brilliantly by the leader of this party on February 22 during the course of the Throne debate and anything which I or anyone else in the House could add, would be superfluous to the—

Mr. Singer: You are so modest.

Mr. J. Renwick: —would be superfluous to the drift of the argument that the leader of this party made at that time. I do, however, want to put on the record the opinion which the Ontario securities commission obtained from the law firm of Messrs. Osler, Hoskin and Harcourt of September 22, 1967, and this is the first of a series of matters that I want to deal with. I know the House will bear with me because of the importance of this legal opinion, even though it does run some 13 pages, because the opinion in substance is as only lawyers could say it.

An hon. member: Read it all.

Mr. J. Renwick: I intend to read it all. The conclusion is:

> Our examination of the circumstances relating to the above listed occurrences and such other occurrences involving Prudential Finance as have come to our attention, does not establish any breach of the provisions of the applicable trust indenture on the part of Metropolitan which would give the creditors a cause of action; nor do we consider that these occurrences evidenced any bad faith or other failure to comply with any standards imposed by law on a trustee under a trust instrument of this kind.

The whole of the opinion and I know that the House will bear with me is as follows:

Mr. Singer: Before the member reached the opinion, could he tell us whether it was an opinion sought by the NDP or was that the opinion given to the government or where did it come from because I have been interested in having a look at that document?

Mr. J. Renwick: Well, I would certainly be happy to furnish the member for Downsview with a copy of the opinion if he would like to have it. I assume that the Minister has a copy? If not, I can furnish one to him.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): No, I understand the subject—

Mr. J. Renwick: Perhaps it would be wise if you followed it.

It is an opinion dated September 22, 1967, from the law firm of Messrs. Osler, Hoskin and Harcourt, addressed to the chairman of the Ontario Securities Commission, Toronto Professional Building, 123 Edward Street, Seventh Floor, Toronto 2, Ontario:

> Dear Sirs,
>
> Prudential Finance Corporation Limited, our file 21,868.
>
> Sometime ago you requested that we provide you with an opinion on behalf of the note and debenture holders (creditors) of Prudential Finance Corporation Limited (Prudential Finance) relating to the rights

of such creditors against the Metropolitan Trust Company (Metropolitan) the officers and directors of Prudential Finance, its auditor or any other persons or companies.

We have not obtained particulars of the respective amounts of debt represented by the secured and unsecured notes, the first and second series debentures or a breakdown of the specific period of time over which each such class of deposition. For present purposes, it is not necessary to have this information.

In giving this opinion we have not considered any action which Prudential Finance may have which would now be vested in the trustee in bankruptcy, the Clarkson Company Limited, whether derivative on behalf of the shareholders or otherwise against any person, including the directors or officers or the auditor of Prudential Finance, except to the extent that any such possible action may interrelate to a direct action by the creditors or any of them.

We point out, however, that any such action by the trustee in bankruptcy is relevant in that if successful, the assets of Prudential Finance and, therefore, the funds available to its creditors, would be increased. We know that the trustee in bankruptcy is investigating this matter and if any action is justified it will no doubt be taken.

Our opinion is limited to the direct action, if any, the creditors have against Metropolitan, the officers or directors or the auditor of Prudential Finance.

Our investigation has not revealed any other person who may be liable, except persons who may have been a party to individual sales of securities and who are referred to hereafter.

After making a preliminary examination of the records, materials and reports made available to us and considering the facts that can be deduced from these sources, it appears to us that possible liability is confined to five general areas as follows:

1. Liability in relation to trust indentures. The trust indenture to which Prudential Finance was a party, and in which Metropolitan was a trustee herein collectively called the trust indentures, are as follows:

(a) trust indenture dated February 1, 1963, relating to the issue of debentures of the first series as amended by supplemental indenture of the same date;

(b) supplemental trust indenture dated November 1, 1963, supplementing the February 1, 1963 trust indenture by providing for the issue of debentures of the second series;

(c) trust indenture dated July 5, 1963, relating to the issuance of secured promissory notes.

It is pointed out at page 26 and following in the report of Messrs. Clarkson, Gordon and Co. (Clarkson report) transmitted to you by letter dated March 8, 1967, the trust indentures are deficient in provisions to protect the creditors. In this connection, we understand that Metropolitan did not negotiate with respect to the provisions of the trust indenture but simply executed the trust idenure as submitted.

This is not an unusual practice for corporate trustees; however, this raises the obvious question as to whether the law imposes any duty upon a person about to undertake the position of a trustee, under an instrument of this type, to negotiate for or otherwise require the introduction of such protective provisions. We have not encountered any law that imposes any such duty.

It is perhaps worthwhile to point out that historically the use of a corporate trustee probably developed because of the necessity of finding a legal technique whereby property could be mortgaged to the benefit of several creditors. The creditors at that time, as sophisticated institutional purchasers purport to do today, (I wish the Attorney General were here, because that is one of his favourite terms) looked after their own interest and the use of a trustee was merely a method to obtain security for the debt.

As the role of the corporate trustee developed, he quite often became responsible for performing certain functions, all of which were specified in the instrument. The corporate trustee is a trustee of the instrument and his duties and obligations are fixed by that document. The corporate trustee is not a trustee of the funds invested by creditors except to the extent that the trust indenture specifically provides.

With respect to the actions of Metropolitan as trustee administering the trust indentures, reference is made in the Clarkson report to the following occurrences:

(a) a sinking fund deposit due from Prudential Finance on the first series of debentures was satisfied by means of a temporary loan from Metropolitan (page 26 and following, of Clarkson report)

(b) the notes of subsidiary companies of Prudential Finance were taken by Metropolitan as "acceptable collateral" for secured promissory notes only in substitution for other securities (page 28 and following, of Clarkson report)

(c) starting in February, 1965, a number of debentures were tendered to Prudential Finance for redemption. Prudential paid to the holders the purchase price of these debentures but rather than submitting them to Metropolitan for cancellation, the debentures were transferred to Ontario Metal Specialties Co. Limited, a subsidiary of Prudential Finance which, up to 1966, recorded the transactions as though it had purchased the debentures for its own account.

Ontario Metal Specialties Co. Limited did not pay for these purchases but merely recorded a liability to Prudential Finance.

New purchasers for the debentures were then located by Prudential Finance and the transaction was recorded as a sale of the outstanding debentures by Ontario Metal Specialties Co. Ltd. to the new purchasers, although the money was paid to Prudential Finance. Metropolitan was instructed to record the transaction as a transfer from Ontario Metal Specialties Co. Ltd. to the new holder and to issue a new debenture.

This circuitous practice of obtaining new debenture holders continued even after the restraining order of the Ontario securities commission on March 31, 1966 (page 12 and following, Clarkson's report). Our examination of the circumstances relating to the above-listed occurrences and such other occurrences involving Prudential Finance which have come to our attention, does not establish any breach of the provisions of the applicable trust indenture on the part of Metropolitan which would give the creditors a cause of action, nor do we consider that these occurrences evidenced any bad faith or other failure to comply with any standards imposed by law on a trustee under a trust instrument of this kind.

Under section 4.08 of the trust indenture dated February 1, 1963, insofar as relevant: all debentures purchased or redeemed by Prudential Finance are to be forthwith delivered to and cancelled by Metropolitan and no debentures could be issued in substitution therefore. If Prudential Finance had not involved its subsidiary, Ontario Metal Specialties Co. Ltd., in such transactions, then it would have been (or should have been) apparent to Metropolitan that the re-issue of a debenture to a new holder was in violation of this trust indenture. If the re-issued debenture was not a valid debenture, then the purchaser thereof might possibly have had a right of action against Metropolitan to cover the money he has lost. There is some evidence to indicate that Metropolitan knew that Ontario Metal Specialties Co. Ltd. was related to Prudential Finance, but this trust indenture does not by its terms provide for the cancellation of debentures acquired by subsidiaries. In short, it could have appeared to Metropolitan that this subsidiary was merely purchasing debentures and reselling, an action not prohibited by this trust indenture. Accordingly, although we have singled this matter out for special attention, we doubt if Metropolitan would be held to have any liability with respect to such transactions.

(2) Liability in respect of sales, after exemption withdrawn. When respecting our opinion, you especially asked us whether Metropolitan is liable in damages to the extent of subsequent losses to those holders of first and second series debentures which were issued to them by Metropolitan after March 31, 1966—the date of an order of the director denying Prudential Finance the benefit of the exemption contained under section 19(2)1(iii) of The Securities Act RSO 1960, Chapter 363. The role of Metropolitan under the applicable trust indenture, as is the role of a trustee under almost all trust instruments of the same kind, was to certify debentures that are delivered to it by Prudential Finance (and in this case where Prudential Finance sold its own securities, return such certified debentures to Prudential Finance), and thereby indicate that the debentures were issued under the applicable trust indenture so that any purchaser thereof would know he was entitled to the benefit of the trust indenture.

Metropolitan itself would not normally be involved in the sale of the debentures (and we understand was not so involved) and accordingly we do not think the act of Metropolitan in certifying the debenture was a trade in the securities. Assuming that Metropolitan did trade such debentures in violation of The Securities Act, it is far from clear, under existing law, whether such violation would give

rise to a civil cause of action against Metropolitan for damages.

(3) Liability with respect to prospectus in offering circular. The Clarkson Report at page 13, and following, and again in appendix "h" refers to certain false and misleading matters in the June 14, 1963, prospectus, including transactions between Prudential Finance and Independent Businessmen's Credit Corporation Ltd. Assuming that it could be established as a matter of evidence that there were materially false statements contained in the prospectus, there is a possibility of liability under section 69 of The Securities Act, Revised Statutes of Ontario, 1960, chapter 363 (as applicable at the time in question). Subject to the exceptions detailed therein, section 69 makes every director and every person who has authorized the issuance of the prospectus, liable to pay compensation to the purchasers of the securities for any loss or damage suffered by the purchaser, if any "materially false statement" is contained in the prospectus.

The exceptions to the liability imposed under section 69 apply when the facts detailed in the exceptions are proved. One of these exceptions excludes liability where the director proves "that he had reasonable grounds to believe, and did, up to the time of the sale of the securities, believe that the statement was true." We have not had an opportunity to carry out such a detailed investigation of the facts which would be necessary to give a specific opinion in connection with this matter. It would seem, however, that there is a good possibility that the so-called inside directors may be liable to the secured note owners, who purchased the notes offered by the prospectus, although there may be no assets against which to realize upon any judgment resulting from such liability.

On the other hand, the facts which have come to our attention indicate that the defence could be available to so-called outside directors. Section 5 of The Corporations Information Act, Revised Statutes of Ontario, 1960, chapter 72 (repealed in 1966 but applicable to the years in question) creates a cause of action almost identical to the cause of action created by the aforementioned section 69 of The Securities Act except that the action in addition to relating to an untrue statement in a prospectus, also applies to an untrue statement in "notes or other circular (which) invites subscription for the securities of a corporation".

This section would apply to any selling literature used by Prudential Finance which invites offers to purchase securities, including the circular of December 2, 1964, which offered the second series sinking fund debentures. We are not aware of any misrepresentations in such foregoing circular. We point out, however, for your information, that the same defence as discussed above with reference to section 69 of The Securities Act, is available to directors of Prudential Finance.

In an action under section 69 of The Securities Act, as applicable to the time in question, or section 5 of The Corporations Information Act, the persons who purchase the securities offered by the prospectus dated June 14, 1963, the offering circular dated September 2, 1964, or any other circular which invited offers to purchase securities of Prudential Finance as the case may be, would not have to prove that they relied on any materially false statement contained in such offer.

Accordingly, in an action under either of the aforesaid sections, the creditors entitled to such action could join together. On the other hand, an action along the lines discussed in the following part 4 of this letter would depend upon the facts relating to each particular purchase, and accordingly each action would have to be on an individual basis.

4. Liability for false representations made to security purchasers. There is a possibility that specific individual purchasers may have a cause of action based on false or fraudulent misrepresentation made to them—and on which they relied—to induce them to purchase securities. Such misrepresentation could be contained in the representation, oral or written, of a person selling the securities, or in any written circular or newspaper advertisement or related document.

In order to succeed in such action the individual purchaser would have to establish all the facts required to support the action. It is our understanding that Prudential Finance sold its own securities. Any action of this kind brought against Prudential would not result in a recovery because of the limited assets available. Depending upon the facts of each individual case it may be that a particular purchaser would have an action—

Mr. E. Sargent (Grey-Bruce): Wind her up, wind her up; Mr. Chairman, this is taking too long, make a summation.

Mr. Chairman: Order, please!

Mr. J. Renwick: If the member for Grey-Bruce, if I can recall his constituency, as he is so seldom here, does not wish to pay attention this evening he can leave the chamber.

Mr. Sargent: Oh, you lawyers that drag these things out.

Mr. J. Renwick: He is not here most of the time and when he does come in he monopolizes the House with irrelevancies and I would suggest that he either leaves the chamber or keeps quiet.

Mr. Sargent: Tell us one thing you have said tonight.

Mr. Chairman: Order. Order, please.

Mr. D. C. MacDonald (York South): He does not comprehend the problem.

Mr. J. Renwick: If I could repeat the part where I was interrupted, Mr. Chairman:

> Depending upon the facts of each individual case it may be that a particular purchaser would have an action against an individual salesman or any other person who made the misrepresentation, in which case the claimant might have access to assets which would satisfy his liability.
>
> 5. Liability of audit. We have not investigated the circumstances in order to ascertain whether the auditor of Prudential Finance may have been negligent in giving his opinion with respect to one or more of the relevant audited financial statements. We understand that there may be a possibility that the auditor was negligent. In case you wish this matter pursued further we will outline in a general way the consequences which might follow for the benefit of the creditors if the auditor was negligent.
>
> A. Prudential Finance itself may have an action in contract or for the tort of negligence and its election for breach of the auditor's duty to take care. Any such action would now be vested in the trustee in bankruptcy. It could be very difficult in any such action to prove substantial damages.
>
> One theory that might result in the recovery of substantial damages is in the possibility that had the auditor not been negligent in giving opinions on financial statements from time to time for Prudential Finance and its shareholders, the actions of certain of the officers and inside directors may have been ascertained at an earlier date, and thereby result in a diminution of the damages which have ultimately been suffered.
>
> We have discussed this matter with a representative of the trustee in bankruptcy and such trustee's solicitor, and we intend to make available to him in memorandum of law indicating the results of research in this area.
>
> B. The secured noteholders who purchased the notes offered by the prospectus dated June 14, 1963 may have a cause of action against the auditor based upon the tort of negligence.
>
> The theory of this action would be that it was foreseeable by the auditor, that his opinion in the prospectus would be relied upon by the purchasers, and therefore to the extent that the purchaser did so rely the auditor is responsible for the damage flowing from his negligent act.
>
> It is also possible on a broader basis—

Mr. Sargent: Why do you not table it?

Mr. J. Renwick: To continue:

> —that it was reasonably foreseeable by the auditor that if his work had uncovered the insolvency of Prudential Finance, the prospectus would not have been accepted by the commission and as a result the existing holders of secured notes offered by such prospectus would not have purchased the same.
>
> C. It is possible that if the auditor had not been negligent one or more of the financial statements delivered to Metropolitan pursuant to the trust indentures would have disclosed the insolvency at an earlier date with a possibility of a diminution in the loss of the creditors.
>
> This cause of action would be more difficult because it would probably have to be shown that the auditor knew that the audit was going to be used and relied upon by Metropolitan, and in this way adversely affect the holders of the debt issued the trust indentures. Attention should be drawn to the fact that limitation periods exist with respect to the bringing of actions in Ontario, and in The Limitations Act and other statutes, in order to determine the applicable limitation period, it is necessary to know the exact nature of the action.

It should be noted that the limitation that applies to actions brought under the aforesaid section 69 of The Securities Act, or section 5 of The Corporations Information Act is six years from the date of acquisition of the securities. The general limitation period for actions based on negligence is six years. There are special limitation provisions applicable to trustees, and to actions against deceased persons, and to actions involving persons who are incapacitated or absent from the province.

If we can be of any further assistance to you in connection with this matter, do not hesitate to let us know.

Yours very truly,
Osler, Hoskin and Harcourt.

Mr. Chairman, I put that on the record not for the purpose of going through it at any great length but to ask a series of questions. I would appreciate it if the Minister would tell me whether or not, as a result of the receipt of that opinion, the securities commission has followed up on any of the matters involved in the opinion?

I would also, Mr. Chairman, make this comment, that one need not be a lawyer to understand that for practical purposes what this opinion is saying is that the note holders of Prudential Finance have no recourse through the courts of any kind, in order to recover any of the losses which they have suffered. And to the extent that there is—as is carefully stated in the opinion—the possibility of such actions, in fact the persons against whom such actions could be brought are not persons from whom any substantial recovery could be made.

So I only have this specific question, as to what the securities commission has done following the receipt of that opinion to pursue any of the matters which are set out in it. I leave entirely aside the question of what the obligations are today of trustees under trust indentures. What does the law now provide? What does the securities commission, by regulation, now provide in order to protect other persons who buy securities under a trust indenture, and believe themselves to have the protection of the person who by tradition has been called a trustee for the debenture holders or trustee for the note holders?

Mr. Chairman, I want to bring the record up to date on Prudential Finance from the occasion on September 23, 1967, when a meeting of the creditors of the Prudential Finance creditors' association was held at the Prince George hotel. In attendance, at that meeting, as a result of telegrams received by our party, and I believe by the Liberal Party and by the Conservative Party, were the member for Parkdale (Mr. Trotter), the member for High Park (Mr. Shulman), and myself.

I attended for one purpose only and that was to complete an obligation which I had assumed to the creditors when I told them I would look into the question of whether or not they had any recourse against the Metropolitan Trust Company, and I reported to them that in my opinion they had no recourse against Metropolitan Trust Company.

At that meeting the following telegram, if my recollection is correct, was read to the meeting. It came to the Reverend Ferry, who was then president or chairman of the Prudential Finance creditors' association from the Minister of Financial and Commercial Affairs. The telegram was as follows:

THE PRIME MINISTER REQUESTED THAT I ACKNOWLEDGE YOUR COMMUNICATION REGARDING THE MEETING OF CREDITORS OF PRUDENTIAL FINANCE CORPORATION. I HAVE INSTRUCTED MR. H. C. LANGFORD, Q.C., CHAIRMAN OF THE ONTARIO SECURITIES COMMISSION, TO MAKE HIMSELF AVAILABLE TO MEET WITH YOUR PRESIDENT AND SECRETARY AT A MUTUALLY CONVENIENT TIME TO RECEIVE YOUR VIEWS ON THIS MATTER. MR. LANGFORD MAY BE REACHED AT 123 EDWARD STREET, TORONTO 2, TELEPHONE 365-2861. ADVICE SOLICITED BY MY OFFICE REGARDING THE LEGAL POSITION OF CREDITORS WILL BE READY SHORTLY AND WILL BE MADE AVAILABLE TO YOUR OFFICIALS BY THE CHAIRMAN.

And the advice to which I have referred is the opinion which I read into the record of Messrs. Osler, Hoskin and Harcourt. At least, that is my understanding of the last part of that telegram.

The chairman of the commission then, on September 25, wrote to the new president of the Prudential creditors' association the following letter:

Mr. Harold Westlake, 23 Roseland Drive, Toronto, Ontario.

Dear Mr. Westlake:

Special delivery re Prudential Finance Corporation Limited and Prudential creditors' association. According to the account in this morning's *Globe and Mail*, I understand you have been elected as president of the Prudential creditors' asociation of Canada. As you know, the Minister of Financial and Commercial Affairs author-

ized me to meet with representatives of the creditors at a mutually convenient time. I would be glad to do so and would suggest you might get in touch with me in this connection. I will also have available for you at the meeting, for transmittal to the members of your association, an opinion regarding the legal position of the creditors.

This commission is presently preparing a report to the Minister of Financial and Commercial Affairs. Notwithstanding that many comments have been received from individual Prudential creditors, the commission has never heard officially from the creditors' association. If the association wishes the commission to consider representations or a brief, the commission will be glad to do so and to incorporate its recommendations thereon in the report, which it will be making as mentioned above.

What the commission had in mind, in asking for representations, was a statement of the creditors' position outlining the reasons why public funds should be used to reimburse creditors for their projected investment losses in Prudential.

In this connection it will be obvious that the unfortunate economic circumstances of some individual creditors are not relevant so far as the commission's report is concerned. Hardship cases might be a matter for the welfare agencies.

Also, since your association represents creditors across Canada, it might give its views as to responsibility, if any, of other securities commissions or provinces in whose jurisdictions securities were sold.

I hope to hear from you at your early convenience.

The newly elected executive of the creditors' association moved as quickly as it could. On October 2, the chairman of the commission wrote again to Mr. Westlake:

Dear Mr. Westlake:

I have not heard from you in reply to my letter of September 25. I assume that as president of the creditors' association you would like to see the opinion which the commission has received regarding the creditors' possible rights and I am enclosing a copy of the letter to the Ontario securities commission from Osler, Hoskin and Harcourt dated September 22.

As I indicated in my earliest letter, if the creditors' association has any representations which you would like to make to the commission, the commission would be glad to meet with representatives at a mutually convenient time.

Well, Mr. Chairman, in company with the president and other officers of the Prudential Finance creditors' association, I attended upon the chairman of the Ontario securities commission and we discussed at length the correspondence which had passed, the reply from the Minister and the chairman of the Ontario securities commission, and what possible representation or submission the creditors' association could make.

That submission, if my memory recalls correctly, was made on October 11, 1967. It was at that time that the creditors' association advanced the proposal to the securities commission that although it was the continuing securities commission, the personnel of the commission had changed completely and that the creditors were quite prepared to make a submission on the basis that the Ontario securities commission would itself consider the proposals of the creditors and decide whether or not they would recommend to the government that the government appoint a commission to investigate and report upon the role of the Ontario securities commission in the issue of securities of Prudential Finance Corporation.

This matter was discussed but there was no specific conclusion reached at the meeting. I think that it is proper to say that the chairman of the commission indicated that if such submission were made it would be considered by the commission and whatever appropriate comment the commission wished to make would be referred to the government for decision.

This appeared to the creditors' association to be a very reasonable position because they were asking the Ontario securities commission to consider its own role, despite the changes of personnel, in the issuance of the securities of Prudential Finance Corporation and to pass the request on to the government as to whether or not a commission should be appointed with whatever comment they felt appropriate. I believe that this indicates on the part of the Prudential creditors as much faith as one could possibly expect them to accord the securities commission, having regard to the losses which the creditors had suffered. Later on, and after some discussion with the creditors' association, I was asked if I would appear with them at the time that the submission was made, and I had

the privilege of on three or four occasions meeting with the executives of the creditors' association at their request, in order to answer questions which they wished to direct to me.

As a result of that, the president of the association, one or two of the other officers of the association, and myself, met with the full commission on February 13, 1968. We made the following submissions to the Ontario securities commission. This is on the letterhead of the Prudential Finance creditors' association of Ontario, addressed to Henry Langford Esquire, QC, chairman, Ontario securities commission, 123 Edward Street, Toronto 2, Ontario.

Dear Mr. Langford:

I refer to your letter to our association of September 25, 1967, and the meeting which Messrs. Tier, Collins, and I, accompanied by Mr. James Renwick, QC, MPP, had with you on October 11, 1967. You will recall that at that meeting, the discussion turned upon whether there should be a commissioner appointed under The Public Enquiries Act of Ontario to ascertain and report upon the role of the Ontario securities commission in the financial collapse of Prudential Finance Corporation Limited. The conclusion was that after discussion with the executive of our association, and if the association were in agreement, a submission would be made to you in response to your letter of October 12, 1967, asking that a commissioner be appointed to make this investigation and report.

As the executive of our association has now resolved that such a submission be made, and as those excerpts of the final report of the investigating team of the Ontario securities commission which are to be made public have been released by the Minister of Financial and Commercial Affairs, it is appropriate that this submission be made now. Our submission is made on the basis of the interim report of the investigating team of the Ontario securities commission dated March 13, 1967, the report of Clarkson, Gordon and Howe dated March 8, 1967, and the excerpts from the final report of the securities commission investigating team, dated October 12, 1967.

That was the report, which, if my memory serves me correctly, Mr. Chairman, was released sometime in the latter part of January 1968, although it bears the date October 12, 1967.

In the opinion of the executive of this association, it is essential that such a commissioner be appointed and our understanding is that you will forward our submission to the hon. John P. Robarts, QC, the Prime Minister of Ontario, in order that the government can make its decision about such a commission. While there is supporting evidence for our submission prior to February 28, 1962, and subsequent to June 14, 1963, we confine our submission, in the interest of brevity, to the intervening period, namely, from February 28, 1962, to June 14, 1963.

The only reference to the role of the Ontario securities commission in the reports is in appendix B to the published excerpts of the final report, which refers to "the part played by the staff of the commission in the discussions preliminary to the filing of the prospectus of June 14, 1963". That brief appendix clearly establishes that the commission was fully aware that the proposal to issue long-term debentures to short-term note holders in exchange for their notes was Mr. Brien's solution to the pressing problems of borrowing on short term and lending on long term.

It also establishes that the commission knew that Prudential Finance had lent money which it raised by the sale of notes to its parent company, the Independent Business Men's Credit Corporation Limited, to invest in subsidiaries of that company. The appendix also establishes that the commission suggested to the auditor of Prudential Finance that Prudential Finance should take over control from the Independent Business Men's Credit Corporation Limited of the companies acquired with the funds provided by Prudential Finance. The reason given for the commission making this suggestion is that if Prudential Finance proposed to go to the public for funds, a great deal of information would be required in any prospectus as to the manner in which its resources had been used up to that time.

The appendix also establishes that the commission recognized that the company's financial position was such that it would have difficulty continuing in business successfully. In these circumstances, the commission staff were persuaded that the company, if properly managed, might be able to overcome its financial difficulties and thereby avoid severe loss to its existing note holders. Accordingly the prospectus was accepted for filing on June 20, 1963. The investigation established the fact that

Prudential Finance was insolvent at that time.

The foregoing statements in the report indicate that the commission exercised its judgment prior to and at the time that Prudential Finance Corporation Limited prospectuses were accepted for filing on June 14, 1963. The substance of our submission that a commissioner be appointed to investigate and report on the role of the commission is that the commission was aware that the prospectuses of June 14, 1963—

Mr. Sargent: You have been going for 50 minutes now, and you have not yet made your point.

Mr. J. Renwick: Continuing:

—drafted, including the financial statements of February 28, 1963, were drafted to reflect the transactions which took place in February, 1963, between Independent Business Men's Credit Corporation Limited, Mr. J. B. Brien, and Prudential Finance Corporation Limited, and the commission failed to enquire adequately or failed to enquire about the nature and effect of these transactions as it ought to have done. Had the commission demanded and received full explanations from Prudential Finance Corporation Limited of the transactions which took place between Mr. Brien, the Independent Business Men's Credit Corporation Limited and Prudential Finance Corporation Limited in the month of February, 1963, it is obvious that the prospectuses of June 14, 1963, would not have been accepted for filing.

We, therefore, request that a commissioner be appointed to investigate and report on the role of the commission during the period from 1960 to the collapse of Prudential Finance in 1966. We were concerned about the trite statement of the Minister in his release of the excerpts from the final report about a guarantee. We fully appreciate that securities legislation is not a guarantee of an investor; we dispute, however, the question that one of the risks which the public must accept is fraud in the management of corporations in which they are asked to invest their funds. It is our view that the commission's function is to protect the public against such fraud and that it cannot simply say that it was deceived.

Its obligation to the public, in the light of its specialized knowledge and its familiarity with the operations of the business and financial community, requires that the degree of lack of care and judgment of the commission in relation to Prudential Finance and its prospectuses be determined independently. It is our opinion that Mr. J. L. Bidell of the Clarkson Company is eminently qualified to be the commissioner appointed for this purpose; he now has extensive knowledge of the affairs of Prudential Finance, and it would not only be a saving in expense but we have the utmost regard for his capacity and integrity to carry out this role. We would be prepared to rest our case for compensation upon the finding of this commissioner after he has completed his investigation.

Thanking you,

Yours sincerely,

Harry S. Wesley,
President.

Mr. Chairman, in the event, Mr. Bidell stated quite categorically a day or so later that as trustee for the creditors he would not be in a position to even contemplate any such role, were such a commission to be appointed. I simply say that of course there are other men in the business community in the province of Ontario who would be eminently acceptable to the creditors of the Prudential Finance creditors' association.

Mr. Chairman, what then happened has left me absolutely flabbergasted since the time I received a copy of the letter. And it was the reason why, prior to the dinner adjournment, I requested the information from the Minister as to what discussions took place between February 13 and March 5.

The Minister will recall that the leader of this party on February 22, in the Throne debate in this House, outlined in detail in a synoptic way the financial fiasco of the Prudential Finance Corporation. The role of the Ontario securities commission is divulged in the report dated October 12, excerpts of which were released some time in the latter part of January by the Minister, which was the first time that there could be any public comment on it in this assembly. That was on February 22.

On February 23, I sent a copy of the remarks of the leader of this party to the chairman of the securities commission; indeed, I sent a copy to each member of the commission. I should go back a moment to say that we made the submission in an

atmosphere of extreme cordiality on February 13 to the full commission. I expressed the gratitude of myself and, I am sure, of the creditors' association, to the full and complete hearing which we had on February 13.

On February 22, the leader of this party made the address, or a portion of his remarks were addressed to this problem of Prudential Finance in this assembly; and on March 5, the president of the Prudential Finance creditors' association received this letter from the chairman of the commission. And I have been speechless in many ways, but one of the contributing factors to my speechlessness was this letter:

Dear Mr. Westlake:

> At a meeting of the securities commission held last week, it was decided not to proceed with the request which you made on behalf of the creditors' association on February 13 last. You will recall that on that date you asked the commission to consider recommending to the government that a Royal commission be appointed or some further investigation be made into the activities of the securities commission from 1960 to 1966.
>
> In view of the fact that this matter is now a subject of debate in the legislative assembly, the commission does not feel that it would be proper for it to express any opinion. Therefore the commission will not be answering the request which you and your associates made to it on February 13.
>
> Yours very truly

I am saying, Mr. Chairman, to the Minister, and I am addressing my remarks solely to the Minister, either he intervened for the purpose of making certain that the reasonable request by the creditors' association would not proceed any further to the government, or he failed in his obligation to follow up the series of events which were initiated by the telegram which he sent to the Rev. Ferry in time to reach the Rev. Ferry for the meeting of creditors on September 23.

Mr. Sargent: What did you expect?

Mr. J. Renwick: Despite the election which took place, I say to the Minister, I say to the government, I say to the members of the backbenches of the Tory party, if the seeds of rot are eating away at the bastions of Tory power in the province of Ontario, that letter and what it represents is symbolic of the activities of this government in relation to the needs of many people.

There are 3,500 creditors in the province of Ontario, 8,500 across the country. The total unsecured debt—of which in four or five years somewhere between 10 to 11 per cent will be repaid—stands at the present time at some $24 million. I appeal to this House to say whether or not the actions taken by the creditors' association in this difficult situation were not reasonable, were not eminently fair, did not comply in every respect with what they believed to be bona-fide initiative of this government.

Then the Ontario securities commission take it upon themselves to legislate some new rule equivalent to the *sub judice* rule. I asked my colleague, the member for Lakeshore (Mr. Lawlor), if he could perhaps give me a Latin phrase which would be the equivalent, and he referred to *sub rosa*, and perhaps *sub controversium* and *subprognoscotum* which, I believe, means under their noses. But he was unable to come up with any equivalent rule that anyone knows about which would indicate that the Ontario securities commission is precluded from dealing with a reasonable request of the citizens of the province of Ontario because the matter is being debated in this Legislature.

Now, the Minister has got to satisfy me personally, and this party, of the bona fides of the government's position. It can be easily and readily done, and that is for him to instruct the Ontario securities commission that they are to take up again the submission which was made in good faith by the creditors' association, to review the role of the Ontario securities commission in the financial fiasco of Prudential; to decide whether on balance it would not be fair and proper for this government to appoint a commission to look into the question of the degree of lack of care, the degree of negligence, if any, of the Ontario securities commission; the role which the Ontario securities commission played in this whole financial collapse and to decide whether or not, and here the creditors are prepared to rely on the result of that commission, whether or not they should be entitled to some compensation.

The only other alternative is a legal action. And the cost, Mr. Chairman, which I have looked into in association with the creditors' executive, of commencing a legal action—if it is possible, and I do not know whether in law it is—against the Ontario securities commission, to retain counsel to do the legal work which is involved in the preparation of such case, to retain all the other advisers which it would be necessary to do, would amount to something in the neighbourhood of $30,000 to

$50,000. That is what it would cost for an action to be instituted if an action is possble.

It will cost the creditors' association somewhere between $5,000 and $10,000 just to find out whether or not there is an action in law which can be brought against the Ontario securities commission. This is the extremity to which the government is driving the creditors of the Prudential Finance Corporation.

In my view, you have been toying with them. I do not think you have any right to deal with citizens of this province in that way. They have been eminently reasonable in what they have wanted to achieve. They have placed themselves in your hands with a very proper proposal, to make the decision as to whether or not an investigation is warranted and if an investigation does take place, to abide by the result of that investigation.

And now they are placed in the position where a great number of people, if they can afford to do so, are going to have to band together to obtain a legal opinion to find out whether or not they can sue in the court. And beyond that, if they are advised to go ahead or advised that they have any reasonable possibility of success, to decide whether or not they can afford to pay the costs of that kind of an investigation.

In my judgment, and I think, in the judgment of any person who has listened over the months to the story of Prudential Finance, I would think that their request on February 13 was proper and to suggest that because a member of this assembly, any member, in this case the leader of the New Democratic Party, because he had included remarks about Prudential Finance in the Throne debate, would lead the Ontario securities commission under some misguided judgment of their position and role in the province of Ontario to state that in view of the fact that this matter is now a subject of debate in the legislative assembly, the commission does not feel that it would be proper for it to express any opinion.

The creditors' association did not ask for any opinion to be given to them. They asked the securities commission, after the discussions which had taken place in October, and as a result of the telegram from the Minister to the Rev. Ferry on September 22, they asked that the commission advise the Minister, and the Minister to the Prime Minister, for presumably the government of this province, to decide whether or not, in the light of the submission, the oral representation which we made to the commission, fully assembled on February 13, whether or not the government would appoint a commission and if the commission had been appointed, as I have said, the creditors were quite satisfied to accept that finding.

I want to place our position, entirely divorced from the position of the creditors' association. I happened, over a period of time, to assist them to the extent that I was able to do so. I have not assisted them, if the record needs to be this clear, in a professional capacity nor have I been retained by them. I could be only in the category of a person who was an advisor to them.

But our position, Mr. Chairman, the position of this party, and I would ask the Liberal Party to associate themselves with it, indeed I would ask any backbencher in this House to associate themselves with it, is the following: The case for compensation for the noteholders of Prudential Finance Corporation Limited on a just and equitable basis is unanswerable; the report to the government of the province of Ontario by Clarkson, Gordon and Company on March 8, 1967, establishes conclusively that in June of 1963, Prudential was bankrupt. On June 13, 1963, a meeting was held at the offices of the Ontario securities commission at which the following persons were present: Mr. J. R. Kimber, then chairman of the Ontario securities commission, and now president of the Toronto stock exchange; Mr. T. O. P. Brown, the chief auditor of the Ontario securities commission; Mr. R. W. Knox-Leet, the registrar of the Ontario securities commission; Mr. J. B. Brien, the president of Prudential Finance Corporation Limited; Mr. Morris Stein, the auditor of Prudential Corporation Limited; Mr. J. T. Eyton, of the Toronto law firm of Tory, Tory, DesLauriers and Binnington; Mr. Betts, of the law firm of Carruthers, Fox, Robarts and Betts of London, Ontario.

The matter discussed at that meeting was the prospectus of Prudential Finance for the issue of its notes. As a result of this high level meeting, this prospectus of Prudential Finance was accepted for filing on June 14, 1963 by the Ontario securities commission and because of this, the notes of Prudential were authorized for sale to the public in the province of Ontario. On that date, the company was bankrupt.

Whatever the reasons, regardless of whose fault it may have been, the fact is that the Ontario securities commission, by its action on June 14, 1963, authorized the sale in the province of Ontario of notes of Prudential

Finance when Prudential Finance was bankrupt.

There are many other factors about the collapse of Prudential Finance—prior to June 14, 1963 and after that date—that add to the justice of the claim for compensation by the noteholders but all of these other factors simply reinforce the basic fact that Prudential was bankrupt on June 14, 1963, when its notes were authorized for sale to the public in the province of Ontario by the Ontario securities commission.

The government of the province of Ontario must grant compensation on a just and equitable basis to these shareholders, most of whom are individual citizens of the province of Ontario.

That is the position of this party, that is the position which we took early in our consideration of the Prudential Finance case. It is the position which is now abundantly reinforced by the appendix to the excerpts from the final report of the investigating team of the Ontario securities commission.

My last question—and I have not asked many questions tonight—my last question to the Minister is, will he, at this point, instruct the Ontario securities commission to consider the memorandum of the submission made by the creditors' association on October 13, after their consideration and if necessary by rehearing representatives of the creditors' association, to produce for the Minister the submission and their comment upon it, so that he can bring it to the attention of the Prime Minister of the province and of the Cabinet to decide whether or not in all justice and in all fairness to these citizens of the province of Ontario, there should not be a commission appointed simply for that purpose?

In my view, the facts speak for themselves. I do not believe that in this situation I have any particular bias other than to think that what the creditors' association has done has been eminently fair, eminently reasonable and has been done after the greatest care, thought and attention to the problem, and was done in the utmost good faith. To say I was shocked to receive this letter is nothing compared to the feelings which were experienced by the executive of that creditors' association.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, if you will permit me to make some remarks before the Minister replies, I feel the case for compensation for the creditors of Prudential must rest solely on the findings of an impartial inquiry. This was our position—since party positions are being staked out again—when this matter was before the House in 1966. I was newly come to my present responsibility and I remember distinctly the worrisome situation that was put upon us in attempting to reply to those people who were so personally concerned with these serious losses, and yet to maintain a position which I judged to be responsible. That was that an impartial public inquiry was necessary and that it was not for us to call for compensation without having the results of such an inquiry. That is the first point.

The second is this, that I admire the hon. member for Riverdale in the work that he has been able to do for the creditors of the organization. He is certainly aware of the fact that many of these people have approached us as Liberals, the member for York Centre (Mr. Deacon) has been putting his talents to this matter and has already been discussing it in the House but this is not important under these circumstances. We are talking about a submission, and a very carefully prepared one, that the member has put before us tonight and there is one area of serious confusion that bothers me at this time. Why should he believe that the securities commission should recommend a Royal commission to look into their own part that was played—either correctly or incorrectly with good motives or bad—in this particular matter?

The appointment of a commission must surely be a political decision, a decision taken by the administration as a whole, on the advice of this Minister. We must divorce from the information that has been put before the House very carefully and in great detail tonight, the amazement that the hon. member for Riverdale has expressed in the answer from the securities commission which, in fact, disclaimed their responsibility to reply affirmatively to the request for an investigation under The Public Inquiries Act.

This must surely be a decision that would be taken by the government as a whole. Now we have called for this since 1966, when it was first discussed on the floor of this House, and the matter of compensation must rest upon it.

I must say that from the material that was put before us tonight, it does appear that the securities commission may not have been acting independently in its reply to the creditors, and I hope that the Minister will be able to reassure us to the contrary.

The chairman and other members of the commission are not in a position to speak for

themselves, and what has been said amounts to a very serious charge indeed, in my view, since the whole matter of confidence depends upon the objectivity of this commission. So I would say very briefly that once again, compensation depends upon the findings of an impartial investigation which we would support and have called for since 1966, and this matter of the impartiality of the commission is of great importance and we will listen for the words of the Minister in this connection.

Mr. A. B. R. Lawrence (Carleton East): Mr. Chairman, I just want to make a comment before the Minister replies. I draw attention to the fact that the member who has been criticizing the government's action has also called upon the backbenchers to say something with regard to the problem.

I would first address a point to him as a lawyer and ask him a question, professionally as it were, whether or not he really believes that government commissions who are disciplining or asked to overlook and oversee activities in the public sphere, in the public commercial sphere, can really be made liable or can really be asked to make the government liable for their non feasance—as distinct from misfeasance.

In other words, to put it in layman's language, can we really ask that the public of the province—that the public themselves, that any individual member or citizen—be put in a position to sue, for instance, the police, for failure to protect his home; whether or not the police at a particular time had their patrol car on the wrong block or whether the police themselves may have been drinking or whether the police themselves may have done some other negligent act? Can we ask the public to compensate the person who has been robbed because the police happened to be absent from their chore? That is my simple question to the member who has spoken, Mr. Chairman.

Hon. Mr. Rowntree: Mr. Chairman, I welcome the opportunity of speaking to the matter and particularly to answer the question which was posed by the hon. member for Riverdale before we adjourned for the supper hour.

Following the suggestion to the chairman of the securities commission that they meet with the creditors' group, I was subsequently informed by the chairman of the securities commission that he had been in touch and in contact with the association of Prudential creditors. I was informed that a further meeting was to be held on February 13 with Messrs. Renwick, Teer, Collins and Westlake, and on February 13 the chairman advised me that the meeting had in fact been held. The committee had requested the commission to consider its submission and to make a recommendation to government. The commission was going to do this.

The next I heard of this matter was on March 7, when I received a copy of a letter dated March 5, which the chairman had written to Mr. H. Westlake, the president of the creditors' association, and the letter has been read into the record, bearing date of March 5.

At no time have I ever interfered with the decision-making aspect of the Ontario securities commission, nor, when I was the Minister of Labour, did I ever interfere with the decision-making aspect of the Ontario labour relations board. I do not think that is my function and I think it would be a dangerous precedent if that type of interference were permitted to exist. I have no reason to have my confidence in the Ontario securities commission shaken. I know the amount of work that the current members of that commission undertake and I am also aware of the dedication with which I believe they perform and approach their functions.

From the day of the confirmation that the commission had held the meeting on February 13, until March 7 I had no conversation or communication nor did I give any direction to the members of the commission, neither directly or indirectly nor in writing or orally. I hope this will clear up that sequence of events as I have endeavoured to answer the questions as the facts exist.

There is no doubt about the seriousness of the situation. We have been over all of this many times and there are some great matters of principle involved, not the least of which involves the high degree of sympathy and understanding for those who have lost their money—and that is the truth of the matter, that is what happened.

Mr. Sargent: It is like the British Mortgage, and Victoria and Grey Trust; $2 million worth of public funds.

Hon. Mr. Rowntree: There were no government funds in British Mortgage.

Mr. Chairman: Order, order!

Mr. Sargent: He is asking for it, Mr. Chairman.

Mr. Chairman: Order!

Mr. Sargent: Better tell the truth once in a while. How about your buddies and stockholders in Victoria and Grey?

Hon. Mr. Rowntree: Mr. Chairman, I think that this matter requires review. I would like to have the opportunity of discussing it with the chairman of the securities commission and, as well, with my colleagues in the Cabinet and that I will undertake to do. Beyond that, I do not think that you would expect me to say more, but I shall take the matter up with the chairman of the securities commission, and I will ascertain the extent of the commission's considerations with respect to this—the meetings and discussions with the hon. member for Riverdale, and creditors' association—and I shall also consult my colleagues in the executive council.

Mr. MacDonald: If I might raise with the Minister a related matter, I am sure the House appreciates very much his indication that he is willing to review this situation with the Ontario securities commission and with his Cabinet colleagues. But on page 19 of the original statement that he made in introducing his estimates, there is a paragraph which reads as follows:

> We are, of course, satisfied with the insurance provisions of the federal Act, but we are maintaining the Ontario deposit insurance corporation at this time, because of the rehabilitation provisions in the Ontario Act which have not yet been incorporated into the federal Act. These provisions empower the ODIC, through right of entry, to cooperate with a firm in difficulty with a view to help it achieve managerial and fiscal stability in the public interest.

I am wondering whether the maintenance of the ODIC for purposes of—to use the term—"meeting in the public interest" would not give the Minister, within the framework of his own statute, an opportunity to move, and, in the public interest, consider those who have suffered as a result of the Prudential financial debacle. That is one point I want to draw to the Minister's attention as he reviews the whole situation.

I want to make a brief comment on the observations of the leader of the Opposition. What disturbs me about what has happened here, Mr. Chairman, is that the telegram to the meeting of the creditors on September 22 last fall took place in the midst of the election campaign, and the creditors had every reason to conclude from that that the government was interested and was going to review the situation with a view, presumably, to some action. Certainly they had the right to draw that conclusion. The election is over; they made entirely proper representations to the Ontario securities commission.

Now, my friend, the leader of the Opposition, says that this is a political decision, if there is to be an investigation, but the creditors' approach to the Ontario securities commission resulted in a reaction which lead them to believe, once again, that the securities commission was willing to review their role in part, because conceivably they recognized that at least it was a questionable role, and in part because there was a considerable change in the personnel of the securities commission.

When the reply came from the securities commission on March 5, the element of surprise, not only in the mind of my colleague, the hon. member for Riverdale, but in the mind of creditors, was not that the Ontario securities commission was unwilling to recommend an investigation of itself, but rather—and I choose my word as carefully and as kindly as possible—the "feeble" excuse and explanation that they were not going to consider the representations any further, because this was a matter under debate in the Legislature.

The fact that this was a matter under debate in the Legislature was wholly irrelevant to their coming to grips with the issue, which was initiated from the meeting of February 13, and, therefore, I think the surprise is very understandable. There is no *sub judice* rule in reverse so that they could not consider those representations, because the matter was being debated in the House. I would ask the Minister to consider these further views and points as he reviews the situation.

Mr. D. M. Deacon (York Centre): Mr. Chairman, I wish to say something further in regard to this matter, after the remarks from the member for Riverdale about the inability or the inadvisability or the unlikelihood of successful action in the case in the situation of Metropolitan Trust and their responsibilities.

It seems to me as a layman, not as a lawyer, reading the circumstances that surrounded the redemption and re-issue of the notes starting in February 1965 by a circuitous route, that actually there is cause for action by the securities commission against Metropolitan Trust, perhaps not by the note holders themselves, but by the securities commission—because Metropolitan Trust was instructed to record transactions as a transfer—which surely were quite obviously, in effect, a redistribution.

I would ask that when the Minister re-

considers this matter—and has it come before a Cabinet for discussion—that he do it in the light of action by the securities commission against the Metropolitan Trust for their knowingly and apparently enabling Prudential Finance to go around the provisions of the securities Act, and the specific instructions of the securities commission, prohibiting sale of the debentures.

Mr. Chairman: The member for Downsview.

Mr. Singer: Mr. Chairman, I am puzzled. I have listened very carefully to what was put forward by the member for Riverdale, and by my leader and the reply of the hon. Minister, and it seems most peculiar to me that the creditors were directed to the securities commission for further enquiry in September of 1967. Because the complaint was that the creditors were directed to consult with the securities commission in September of 1967, and that is the telegram of September 23, the Minister is familiar with that.

I think it is already on the record but I can put it on the record again if you want. The telegram says, and it is quite brief: THE PRIME MINISTER REQUESTED THAT I ACKNOWLEDGE YOUR COMMUNICATION REGARDING THE MEETING OF THE CREDITORS OF THE PRUDENTIAL FINANCE CORPORATION. I HAVE INSTRUCTED MR. H. C. LANGFORD, Q.C., CHAIRMAN, TO MAKE HIMSELF AVAILABLE TO MEET WITH YOUR PRESIDENT AND SECRETARY AT A MUTUALLY CONVENIENT TIME TO RECEIVE YOUR VIEWS ON THE MATTER.

Mr. Langford can be reached at such and such an address, and such and such a telephone number, and so on.

Now, I hesitate to say this, but I have sat with this Minister for a long time, and it just occurs to me, Mr. Chairman, that the Minister could have thought of no better a ploy to get this situation into the position it now is.

Hon. Mr. Rowntree: That is not the case.

Mr. Singer: Well. All right. The Minister says that is not the case, but look at the facts.

Here are the creditors, the members of the Opposition, the newspapers saying—I said it and many others said it—we are not satisfied with the actions of the Ontario securities commission. We want some further investigations to take place, and we said this at great length and in a variety of ways, and then this Minister says, "I have a solution. We will ask the securities commission to decide whether the securities commission should be investigated."

Now does that make any sense, Mr. Chairman? It does not to me, and it was bound to lead, I would think, to the letter of March 1968, that the member for Riverdale referred to. Mr. Langford is a polite gentleman, and I am sure he would do as his Minister suggested he do, and that would be to listen. But I would think he would be placed in a most invidious and almost impossible position if Mr. Langford and his colleagues recommended to government that the only thing to be done for the securities commission was that government investigate Mr. Langford and his colleagues. Now that is what you were expecting. It is impossible that that set of circumstances could come about.

Hon. Mr. Rowntree: They were not on the commission at the time.

Mr. Singer: That does not matter, it is a continuing commission. You change the chairman of the commission. You change certain members of it. My memory does not quickly serve me as to whether or not there are continuing members or not. I think there was one continuing member, was there not? Or two? Were there not one or two continuing members?

Hon. Mr. Rowntree: Oh yes.

Mr. Singer: Certainly the civil service of the securities commission was continuing. Certainly the chief counsel for the securities commission, Mr. Howard, was still there. Mr. Howard played a big role in the investigation originally.

Now I do not know how many people overlapped, but what you are in fact saying, Mr. Chairman, and what in fact the Minister was saying was let us get the opinion of Mr. Langford and his colleagues as to whether there should be an investigation into our set up. It is almost impossible that you could get a meaningful answer to that kind of a question.

If there was reason to accept the validity of an argument for a further investigation, I suggest there was abundant good reason—and the facts for that conclusion were laid before this House and spoken about on the public platform on many occasions. Then I think the member for Riverdale was dead right; it has to be now a political decision and the

Minister has arrived at the point where he is being challenged with this at the only appropriate time we have to challenge him with it—when he brings his estimates before the House—and he says, "Well, the case is a very interesting one. Believe me, I will further consider it, and I will further consult with Mr. Langford, and I will further consult with Mr. Langford's colleagues, and I will further consult with my colleagues, and in due course we will decide whether or not we should accept Mr. Langford's opinion, if he is going to have an opinion at that time, whether Mr. Langford wants Mr. Langford and his colleagues investigated, and in due course we will have an answer."

How long is long, and when do we really get an answer? As I say, Mr. Chairman, it is with some hesitation I suggest that we are being flim-flammed. We are being sent around on a big merry-go-round with the object of overcoming this time in the House when these estimates are before us, without getting a positive answer, and for that, I think, Mr. Chairman, the government deserves serious criticism. I think the Minister, who has had ample time to consider his position, should say whether or not he is prepared to accept this abundantly reasonable request that the securities commission's actions during the course of this sad history be investigated by an impartial judicial commission. That is the question that is before him, and his assurance tonight adds nothing except further delay and further steps in the revolving merry-go-round.

Hon. Mr. Rowntree: Mr. Chairman, I think we should make sure that the record is accurate. Mr. Howard was not there at the securities commission during the time the Prudential decisions were being made. The active people at that time were Messrs. Kimber and Knox-Leet, both of whom have retired. Mr. Brown had something to do with matters of the commission at that time and he is the single remaining person there now.

Mr. Singer: I have not got these figures exactly, I have not got the complete rota either of the members of the commission or of the staff, but are there not a number of overlapping people who were there before and are still there, both as civil servants of the commission and as members of the commission?

Hon. Mr. Rowntree: There are not any active members of the commission. The chairman was Mr. Gordon Grundy, latterly the vice-chairman, who has been transferred over as superintendent of insurance; Mr. Beatty is quite active, and Mr. McFarland provides a liaison with the mining industry. I think Mr. McFarland would be the only member; he is a part-time member; he is the only member of the commission who was there at that time. The active direction and management of the commission comes under the chairman, who is the chief executive officer. The director, Mr. Bray, is the chief administrative officer in the operation of the commission.

Mr. Singer: You only confirm my point. You are asking the present chairman to advise you on whether he should investigate at least one of his colleagues with whom he presently sits. The present chairman had nothing to do with it, but at least one of his colleagues might have. You are asking the present chairman to advise you as to whether or not the civil service that he deals with every day should be investigated, and I think you have placed an impossible burden upon him if you expect sensible advice from him; he just cannot give you that kind of an opinion.

Hon. Mr. Rowntree: Let us just get the record straight. I am sure the hon. member would want the record straight. The request for this consideration came from the creditors' committee.

Mr. Singer: The creditors' committee appealed to government. The telegram that I read you which emanated from you, and was sent in the Prime Minister's name, said that the Prime Minister had said the matter would be considered in due course by the Ontario securities commission.

Hon. Mr. Rowntree: I sent it over my own name.

Mr. Singer: All right, but you quoted the Prime Minister's authority in the first sentence of it.

Hon. Mr. Rowntree: I sent it to the creditors.

Mr. Singer: To the creditors? I am not suggesting you did it at his direction. I am suggesting that the telegram appeared to be —and you confirm it—sent with all the authority of government. And the creditors, who wanted somebody to talk to who might help them, accepted that as being their only out at that point. But what I am suggesting quite seriously is that by directing them back to the securities commission for this kind of

an opinion, you placed them in a position where they could not possibly get a result other than the one that the member for Riverdale referred to in his letter of March, because I would be very surprised if Mr. Langford would be able to say anything more than, "You have put me in an impossible situation." He has not said it in so many words. He said it in an unusual way, that you had put him in an impossible position. You have asked him to advise you as to whether or not he thinks that you should investigate his colleagues and his civil servants, and I think that is just impossible.

Mr. J. Renwick: Mr. Chairman, I just want to say that I would hope that any consideration the Minister has undertaken that he will give to a review of the matter, with a view to the appointment of a commission to investigate the role of the Ontario securities commission in the fiasco of Prudential Finance, will be taken quickly, and that if possible the announcement which the government may be prepared to make will be made in this assembly while this House is in session, so that we who are interested, as we all are in this province, would have an opportunity to make whatever comment is appropriate at that time.

The session is obviously drawing to a close and it would be unfortunate, to say the least, if any decision of government on this matter, which has been before them so long, should be delayed to the point where the announcement would be made when this House was not in session. I would ask the Minister, in the light of his undertaking, to consider the timeliness of making the announcement in the assembly. I need not read into the record the letter that, in fact, the Prime Minister did initiate in September the telegram which the Minister of Financial and Commercial Affairs sent to the then chairman of the creditors' committee.

I make one last comment, Mr. Chairman. While the Minister says that he does not interfere, and I think he said it in something to do with the decision-making function of the Ontario securities commission, I would simply refer to the fact that in his telegram he gave the instructions, "I have instructed Mr. H. C. Langford, QC, chairman of the Ontario securities commission—" and I would have assumed that on that basis, since he had sent the telegram at the Prime Minister's request, and he had instructed the Ontario securities commission, that this would be all the more reason why he should personally interest himself in the problem, as he has now indicated finally that he will do. We here associate ourselves with the Liberal Party in requesting that the consideration which is given will lean very much in favour of the appointment of a commission for the purpose of investigating the role of the Ontario securities commission.

Mr. Sargent: Mr. Chairman, regardless of the Minister's statement that he is going to investigate this and have possibly an inquiry, and the fact that we have here tonight the cheering section for the New Democratic Party on their submissions, I fully believe that if the Minister is going to go this far into the investigation of the incompetency of the OSC insofar as handling this field in Ontario, there were many more thousands of people hurt over the same period of time in the fiasco of Atlantic Acceptance, British Mortgage, and Victoria and Grey, and if you are going to go this far, in all fairness you cannot pick out Prudential and give these people special treatment. You must cover the whole ball of wax. You must have an inquiry to find out why you can take public funds and secure the shareholders of British Mortgage, or Victoria and Grey, to let them acquire this great empire, and last year it developed that they acquired another $1.7 million of assets unknown to them.

These things have never come to light—that when the people lost their shirts in British Mortgage and Atlantic Acceptance, those assets that were accrued and escrowed by Victoria and Grey, the friends of the government—through using public funds, those accruals of assets should have gone back to the people who lost their shirts in the companies. By no stretch of the imagination, Mr. Minister, have you the right to pick out one mistake or one particular financial fiasco like Prudential and say, "We will investigate that." We know that you will investigate, but nothing will happen. I will bet you a case of Carling beer, right tonight, that not a penny will be forthcoming to these people. One way of getting off the hook, and we know this, is to say you will investigate.

I know what will happen. This is a continuous thing that will die of old age. The people who are your retained legal help will make a fortune, and the shareholders will still get nothing of accrual of assets, we know that.

An hon. member: It is hypocrisy.

Mr. Sargent: Well, this is true. It is a matter of record, in the history of this government, that you will set up these commissions and they will disappear gradually.

The Minister frowns, Mr. Chairman, but how does he answer the fact that Victoria and Grey acquired this great British Mortgage empire using public funds?

Hon. Mr. Rowntree: There were no government moneys used.

Mr. Sargent: The credit of the people of this province was used to acquire this empire and the report has come out that they acquired another $1.7 million of new assets that they did not realize was there. Now, that money should not have gone to the shareholders of Victoria and Grey.

Hon. Mr. Rowntree: It is not true, not one dollar was used.

Mr. L. M. Reilly (Eglinton): Not one dollar of public funds was used to acquire British Mortgage.

Mr. Sargent: I agree with you, not one dollar was used, but the money was pledged and there is no parallel in the history of the province where public funds were pledged for a private company. And the fact is that Mr. Leslie Frost, and Mr. McCutcheon negotiated this deal and put it through. Fortunes are to be made through stock splits because of friends in the government.

Now, Mr. Chairman, I challenge every member of this Legislature to get up and prove one thing that I have said that is wrong. And you, Mr. Minister—I know this thing inside out—and you are up the creek without a paddle right now, and you try segregate—

Interjections by hon. members.

Mr. Sargent: You are repeating yourself, we heard that last year.

Hon. S. J. Randall (Minister of Trade and Development): So are you repeating yourself.

Mr. Sargent: I know I am, and they are repeating themselves when they say, "We will pick out Prudential and give them a special inquiry." Who are they trying to kid?

Hon. W. G. Davis (Minister of Education): Your leader suggested the commission.

Mr. Sargent: We have this "tour de farce" with the NDP—it is something that they are going to ride for a while, and it is going to take up the time of the House when we should be busy doing business and making some progress. We are flogging a dead horse. Let us get on with the business and get something done and get out of this House.

I think the Minister is kidding the House that we are going to have an inquiry; he wants to get off the hook. His estimates are here; and every one of these Ministers, including the Minister of Correctional Services (Mr. Grossman) and the Minister of Education, when their estimates are up they are all very mellow and sweet. They say: "We will look into this" and "We will give you an enquiry" and nothing ever happens.

Interjections by hon. members.

Mr. Sargent: I am very proud of my leader, and anything that he brings out I will try to go along with, but I happen to know—

Interjections by hon. members.

Mr. Sargent: Mr. Chairman, there are many, many thousands of people across this province who have lost fortunes because of the inadequacy of this government and because of the fact that the Ontario securities commission was not functioning properly. We have a responsibility to people who lost fortunes, while other fortunes have been made by people on the other end, because of their friends in government.

Interjections by hon. members.

Mr. Sargent: I feel, Mr. Chairman, that any motion that comes before the House tonight on the particular deal for Prudential, should be retroactive and the same treatment should be given for Atlantic Acceptance and British Mortgage because there are thousands of people and millions of dollars involved.

Mr. Chairman: The member for Humber.

Mr. G. Ben (Humber): Mr. Chairman, first of all I regret, extremely, that neither the hon. member for Carleton East nor the hon. member for Riverdale are in their seats. I waited until this particular item had just about carried because I was very much surprised, first of all at the question that was posed by the member for Carleton, of the member for Riverdale, and I was surprised that the member for Riverdale did not get up and answer. I do not know whether he was expecting a legal aid certificate to come from the government side before he answered a quasi-legal question.

The fact is, Mr. Chairman, I think that perhaps a principle has been overlooked in the whole discussion with reference to all the parties that have been discussing this matter of Prudential. Perhaps if the member, or somebody else, would get up and answer the

member for Carleton East, we might have another look at this whole problem.

The member for Carleton East posed a question to the member for Riverdale, saying, "Would you advocate making the government liable because an arm of that government, perhaps through a malfeasance, had caused a citizen to take a loss.

Nobody answered that and I say to you, Mr. Chairman, that the day is coming in this province, and in this country, when everybody, in answer to a question like that is going to answer yes. Government, not just this government but all governments, have been slowly but surely dulling the defence mechanism of the citizens of this country through the passage of all kinds of laws which ostensibly are geared to protect them.

In other words, the citizen feels that he does not have to practise *caveat emptor* or be careful, because the government has already passed a law which is going to protect him against scallywags taking advantage of him. And I say to you that the more laws of this nature that you pass, the closer comes the day when you will have to indemnify the citizen against any damages suffered by him through misfeasance, malfeasance, or nonfeasance, on the part of the government or one of its agencies. That day is coming.

Already we are discussing compensation without fault. We of the Liberal Party have been trying to persuade the government that there is commonsense in indemnifying citizens who have been victims of violence. They do it in New Zealand and it is coming here. This is the liberal thinking these days; not the way it was expressed by the member for Carleton East. He asked in amazement if we would subscribe to that.

Well, I do, I think that governments are simply eroding, or outbreeding, and defence mechanisms that the average man had and it is now incumbent upon the government to do all the protecting. And if it is incumbent upon the government to do all the protecting, and it is alleging that it is doing the protecting, then I suggest it is responsible for compensating the citizen for any loss the citizen sustains when the government fails to carry out its obligations to the citizen.

As I say, I regret extremely that the member for Carleton East is not here so I could answer the question which the member for Riverdale did not answer. Because as sure as God made little green apples the day is coming—either you have to stop passing so many laws and start beating back into the citizen a sense of responsibility for his own welfare, or the other extreme is going to be here. Make up your minds.

Hon. A. Grossman (Minister of Correctional Services): Will we stop passing laws?

Mr. Ben: I believe that a person's inborn ability to try to look after himself should not be destroyed. I believe in the initiative of the individual. But since you are certain that you are going to destroy that initiative, then I say you have to compensate him for his losses; because you are liable for them.

Hon. A. F. Lawrence (Minister of Mines): Whether or not it is high risk capital involved? Would the hon. member—

Mr. Ben: If you would elucidate the question, I would be very happy to answer it.

Hon. A. F. Lawrence: Where there is high risk capital involved, would the hon. member propose that government should expropriate the profit made at the same time, along this line? In other words, where investment is made and a profit is made, would the hon. member tell us that, in his view, the government should come along and expropriate that profit?

Mr. Ben: When you are talking about high risk, then you are talking about gambling. Now, you should have been in the House when I expressed my opinion on gambling, on Sunday sports and on Sunday racing. I was against gambling and I am certainly not going to compensate people who lose their money gambling on the stock market.

Hon. A. F. Lawrence: Just give us a simple yes or no.

Mr. Ben: I just said I will not subsidize gambling. That is what you are suggesting.

Mr. Chairman: We are straying somewhat from vote 702. The member for High Park.

Mr. M. Shulman (High Park): I would like to rise and give my opinion on this particular point. I thought the other day, when we discussed the matter of compensation to victims of crime, that it was felt on all sides of the House that it should be a proper law for victims of crime to be compensated, and I would like to suggest to the members of this House, through you, sir, that the Prudential victims are victims of crime just the same as someone who has a gun stuck in their belly, and they deserve compensation on this matter.

Mr. G. Bukator (Niagara Falls): Mr. Chairman, I could not sit idly by listening to this

debate this evening without adding a few of my thoughts. A total of 8,500 noteholders in this province are not going to be too happy with this Minister's decision to discuss this problem with his Cabinet, or with the chairman of the securities commission. The opportunity was here many months ago, 19 months ago to be exact. Nothing has been done.

The whole responsibility, in my opinion, Mr. Chairman, is on the shoulders of this Minister and the Cabinet, the government as a whole. They have neglected their duty to the people of this province. This has come to me very forcibly as I received letter after letter from constituents of mine who have been taken for every dollar they owned in the world. We may not have the right to compensate them for their poor investments, but on the other side of the ledger this government had no right to neglect these people when they knew things were not right with that company.

I say to this Minister, in this House, this night that he has come not only short of the mark but it should have been before Cabinet and an investigation should have been in hand long before this. This, people should have known; it would have been just a semblance of encouragement to these people if they believe something may happen. I hate to have to believe, as the hon. member for Grey-Bruce has just indicated, that nothing is going to happen.

I think this hon. Minister owes these people to at least investigate and find where the fault was and then we will talk about compensation. But until we know some of the answers, nothing can be done but what my leader has said to you—we need the proper authority to look into the problem to find out when and how this happened. And if the government is wrong, these people ought to get their money. But I want an investigation and nothing short of that particular thought will make the people, 8,500 of the noteholders, happy; nothing in the province of Ontatrio will indicate to you or any of your colleagues that you are doing the right thing, if you do not bring this investigation about, and very soon.

Mr. Deacon: Mr. Chairman, one last point. I noted in a reply given this afternoon to the question concerning Clarkson, Gordon report:

> What were the principal causes of the loss of $20 million between June, 1963 and November, 1966 as shown by an examination of all records including those of third parties to ascertain whether the costs recorded in the company's records contained any amounts of assets delivered to insiders?

The Clarkson, Gordon report specifically stated that they did not have the opportunity to examine the records of third parties to ascertain whether the costs recorded in the company's records contained any amounts delivered to insiders. And in the last paragraph it stated, "Due to the limitation and scope of our examination". Now I would appreciate also, in due course, getting a complete reply to the insider situation, which I do not think has been pursued. It may be a form or source of recovery for these people in a legal way.

Mr. Chairman: The member for High Park has the floor.

Mr. Shulman: If the member for Grey-Bruce is going to speak on Prudential, I will yield, because I wish to go on to another matter.

Mr. Chairman: Is there anything further on Prudential before we get to another matter?

Mr. Sargent: Yes.

Mr. Chairman: Is the member speaking about Prudential?

Mr. Sargent: The fact is that the Minister has intimated that he will call an inquiry into Prudential. What is our position there, Mr. Chairman, before we go on?

Hon. Mr. Rowntree: Just as I stated to the House 20 minutes ago.

Mr. Sargent: Well, I am sorry, I did not hear the Minister. Mr. Chairman, I know the Minister is having a rough time; he is on the spot, but will he please tell us what he is going to do?

Hon. Mr. Rowntree: I said I will discuss it with the chairman of the securities commission and I will also discuss it with my colleagues in the Cabinet.

Mr. Sargent: The Minister is going to discuss it, and what is he going to do about it? I know this man is under the gun, and he is under pressure, and he does not know the answers to a lot of questions, but where are we going from here on this matter of Prudential?

Mr. Chairman: The Minister has indicated to the committee what he proposes to do and he has expressed his intention quite clearly.

Mr. Sargent: Do you know what he is going to do, Mr. Chairman?

Mr. Chairman: The Minister has just indicated to the committee what he proposes to do.

Mr. Sargent: He is going to discuss it with the Cabinet. Mr. Chairman, I would like to ask the Minister, if he is going to discuss this with the Cabinet, what about the thousands of other people who lost millions of dollars so far as the British Mortgage and Atlantic Acceptance are concerned? Would he tell me of the $1.7 million that were accrued in a 12-month period to Victoria and Grey from acquiring British Mortgage? Was there any thought in the Minister's mind of having that $1.7 million of unknown assets distributed back to the people who lost their fortunes in British Mortgage? That is the first question.

Hon. Mr. Rowntree: The loss in British Mortgage was in shareholders' equity, it was not in deposits or guaranteed certificates.

Mr. Sargent: Is the Minister trying to tell me no one lost money in British Mortgage?

Hon. Mr. Rowntree: I said the loss was in the equity, in the shareholders' equity.

Mr. Sargent: So the shareholders who bought their stock in British Mortgage in good faith—that stock increased, their assets increased $1.7 million within 12 months. Why should that not have been redistributed to the people who lost their money? Now, these were unknown assets acquired. Why was that never distributed?

Hon. Mr. Rowntree: I do not understand that question at all.

Mr. Sargent: Well, I am not very bright either, but from the time Victoria and Grey took over British Mortgage, they had a fixed value of what they acquired, of which we put up $3 million. We pledged the people's money for $3 million to acquire that. If the Minister denies that, I say this is an untrue statement—that the credit of the people of Ontario was pledged to $3 million to acquire those assets. That is correct, is it not?

Hon. Mr. Rowntree: One company purchased the other company. We did not advance them any money.

Mr. Sargent: And $3 million worth of credit of the people of Ontario's money was guaranteed.

Hon. Mr. Rowntree: It was never put up.

Mr. Sargent: It was pledged if it was needed, was it not?

Hon. Mr. Rowntree: No.

Mr. Sargent: Mr. Chairman, I challenge him as misleading the House. This is a matter of record and I can produce all kinds of documents from the press gallery and clippings to show this is a fact.

An hon. member: Apparently, that is not too authentic for the Minister of Municipal Affairs (Mr. McKeough).

Mr. Sargent: All right. Now the Minister says this did not happen. It is a matter of record that it did happen. Portions of this have been made through stock split—using public money as credit.

Interjection by an hon. member.

Mr. Sargent: I do not know, but Mr. Frost and Mr. McCutcheon and your friends may have known about it.

Mr. E. A. Winkler (Grey South): Mr. Gregory, do not leave him out.

Mr. Sargent: You should not talk too much about this, because the people of Grey South got hurt too.

Mr. Winkler: I would like to ask—

Mr. Sargent: Whose mortgages?

Mr. MacDonald: Yours.

Mr. Sargent: Well, do you want to know what mortgages I have? Is that your concern?

Mr. Winkler: I do not want to know what they are—but where are they?

Mr. Sargent: I think it would be a good point, because they are not very healthy right now.

Mr. MacDonald: No wonder you want to get back to business, and away from the House.

Mr. Sargent: You are right.

Mr. Chairman: On vote 702.

Mr. Sargent: Mr. Chairman, I would ask the Minister why this $1.7 million was not returned to the shareholders of the British Mortgage.

Hon. Mr. Rowntree: My understanding of this matter is that Victoria and Grey, through

their shareholders' meetings, purchased the shares of British Mortgage, so the British Mortgage people made a deal with them, which was approved by the shareholders at their meeting and the British Mortgage people are now shareholders of the Victoria and Grey and benefiting from whatever assets are in the company.

Mr. Sargent: You do not know, but that is your understanding; that is what you are told. But you should know. This is your job and this is what we are paying you for.

But the fact of the matter is that when Victoria and Grey acquired assets of the British Mortgage, the assets were stated—a certain fixed sum. A year later, a five-column story comes out in the financial pages of the Toronto *Star* by Jack McCarthy, that unknown to Victoria and Grey they found another $1.7 million out of British Mortgage acquisitions. Now I think at this point the Victoria and Grey stockholders and the shareholders of Victoria and Grey should not receive this accrual of funds from British Mortgage assets.

The Minister does not know about it and he does not know how to answer it and I do not think that anyone at this point would know, because the deal is consummated and everything is final and so it is down the drain like everything else and a lot of people have got wealthy through having friends in the government front benches.

Mr. Chairman, I do not think that any part of our economy, whether it be trucking, shipping or manufacturing, has any right to come to the government and say, "We want a line of credit of $3 million to acquire a property." This we would not do, but in the banking industry we are different. A bunch of stockholders of Victoria and Grey come to the government and say, "We can pick up this great asset of British Mortgage, we have $3 million," and so, Mr. Chairman, they went to the chartered banks for the $3 million. The chartered banks turned them down. They went to the trust company association to borrow $3 million and they turned them down, and so they came in the back door with Mr. Frost and Mr. McCutcheon and—

Mr. Winkler: Mr. Harris.

Mr. Sargent: —and Mr. Harris—right. You are sharp tonight.

Mr. Winkler: Oh no—

Mr. Sargent: Right on the ball.

Mr. Winkler: That is something more than you can say.

Mr. Sargent: Once in a while you know what is going on. And so they came in and they got the $3 million credit in public funds from the front benches over there, to acquire this property.

Mr. Winkler: What a prefabricator.

Mr. Sargent: Now will the Minister say that I am not telling the truth?

I can tell you this is a matter of record, it is a fact. No other area of our economy can walk in and get $3 million credit to acquire an industry or a business, but the banking people can, and this is the unfair part of the whole deal.

Mr. Winkler: You have got some powerful friends, Eddie, they can do anything.

Mr. Sargent: So I say, Mr. Chairman, that the Minister does not know whether or not these $1.7 million should be redistributed to the shareholders. It is now sitting in the hands of the stockholders of Victoria and Grey, who have had stock splits, and many fortunes have been made through using public funds to acquire this great fortune. Further, I charge that in the Prudential affair the name of an associate of the Prime Minister was used in the prospectuses of Prudential Finance to raise funds.

Hon. Mr. Rowntree: You know that is not true, he had no connection with that law firm.

Mr. Sargent: I know the Prime Minister had no connection but an associate of his did and this was used to enhance the possibility of having a great sound company, and this is one more area in which you have responsibility because you have led the people up the garden path through your friends in government.

Hon. Mr. Rowntree: I never led anybody.

Mr. Sargent: I did not suggest you have. I say the government *per se* has.

Hon. Mr. Rowntree: Absolutely not.

Mr. Sargent: Well I take it back that you have, but I say that the government has been guilty of a form of going along down the line that is helping our friends in the driver's seat, and I think this is one area in which you do have responsibility.

But I think somewhere along the line, Mr.

Chairman, in finalizing my discussion on this point, that the $1.7 million which has accrued from no performance of Victoria and Grey should be distributed to the people who lost fortunes in British Mortgage, and this is an inequity. It is wrong and it is downright irresponsible and approaching a position that any government would not have come up with in the election year.

Mr. Chairman: The Provincial Treasurer.

Hon. C. S. MacNaughton (Provincial Treasurer): Mr. Chairman, I would just like to say a word or two, if I may. I think it is appropriate that this matter be clarified ever so briefly and I hope the hon. member, if he gets a satisfactory explanation, may admit that he has been misinformed.

If the Victoria and Grey Trust Company had not moved in to acquire the shares of British Mortgage and Trust Company and take steps to protect the liquidity over a short period of time, I say that catastrophe might well have taken place. In the first instance the depositors and the certificate holders could well have lost their investments. This did not take place. No depositor, no certificate holder lost one penny.

Second, I would point out to the hon. member that the acquisition of British Mortgage and Trust shares by Victoria and Grey Company resulted in the improvement referred to by the hon. member—that is, $1.7 million, and I do not know whether that is an accurate figure or not, has accrued to the benefit of the shareholders now in Victoria and Grey Trust Company.

Mr. Sargent: You are so right.

Hon. Mr. MacNaughton: So there is really no need for any distribution. Those shares are worth more—

Mr. Sargent: British Mortgage shares.

Hon. Mr. MacNaughton: Oh no, no, no. British Mortgage—

Mr. Sargent: Mr. Chairman, can I ask the Minister a question?

Hon. Mr. MacNaughton: This is vested in the shareholders of Victoria and Grey and the British Mortgage shareholders received Victoria and Grey shares.

An hon. member: Yes, two for 20.

Hon. Mr. MacNaughton: Yes, but nevertheless this accrues to the advantage of the shareholders. There is no question about that. It is quite simple.

Mr. Sargent: I appreciate the Minister trying to smooth this over—

Hon. Mr. MacNaughton: Mr. Chairman, I am not trying to misinform the House. I am trying to provide some accurate information to the hon. member. I am doing my best to do that.

Mr. Sargent: Well, we know your accuracy all right. You should multiply that by 12, too, like everything else. Mr. Chairman, the Minister has brought forward the fact that the Victoria and Grey were responsible for this increase in value. The whole point I am trying to make is that these $1.7 million accrual of assets were nothing to do with Victoria and Grey.

They are British Mortgage accrual of the assets that they did not know they had, so my submission is that in any fair business operation that would be retroactive, payable back to the people who got hurt. They are the ones who should have got that money, not Victoria and Grey, because they had no performance in making this money. It was the people who lost millions of dollars in British Mortgage who were hurt, and the man who put this province into so much debt in the past two or three years should be the last man to get up and talk about fair dealing.

The point is, Mr. Chairman, that British Mortgage is dead now; Victoria and Grey have acquired multi-million-dollar assets and the accrual has not gone back to the people who built it; it has gone to Victoria and Grey and no other area. The Provincial Treasurer may answer this question then: If there are many business failures in this province—and there are many business failures—and many thousands of people get hurt in business failures, and if any area of business comes to you and says, "Many thousands of people are going to get hurt by our business going down the drain; we would like to have government support on this thing—$3 million support," the fact might help if you knew Leslie Frost or Mr. McCutcheon—

Mr. Chairman: The member has mentioned those names before.

Mr. Sargent: You bet your life and I will mention them again, Mr. Chairman, but it is a matter of record that this did happen and the government is embarrassed about it. No other area of business can walk into a government and get $3 million worth of credit and that is my point.

Mr. Ben: Mr. Chairman, I have got to take exception to the statement of the Provincial Treasurer, this is misleading the House. What the hon. member for Grey-Bruce was trying to point out in his own inimitable way was that at the time Victoria and Grey took over British Mortgage and made an appraisal of the assets of British Mortgage, they under-appraised one asset by $1.7 million, approximately. This is the point that he was trying to make. The Provincial Treasurer cannot recall the exact figure, and I cannot recall, but I do know that it was in excess of $1 million.

At the time Victoria and Grey took over British Mortgage there may have been a share swap, but I am willing to wager now that it was at least five British Mortgage shares for one Victoria and Grey, or some other ratio similar to that. Six? All right, six. That means that if any of the British Mortgage and Trust people did convert their shares, they only ended up with one Victoria and Grey share for six that they had in British Mortgage.

Mr. Singer: One for 21.

Mr. Ben: One for 21; well, that is more fantastic then.

Hon. Mr. Grossman: That is beside the point.

Mr. Ben: Besides that, the fact is that when that $1.7 million was found, as the hon. member just pointed out, it was not earned by Victoria and Grey; they just found the end of the rainbow you might say, and they were the ones who were supposed to have looked the rainbow over before they did the conversion. But at any rate the British Mortgage people then would have received either only one sixth of that $1.7 million, or one twenty-fourth, whatever the ratio was, whereas in all honesty and morality they were entitled to divide it among themselves. That is, just the shareholders of British Mortgage should have divided that $1.7 million and not give 23 parts to Victoria and Grey for every one part they got.

This is what the hon. member was trying to say and I think he is justified in saying that and asking this government what they are going to do about it, because, after all, they were involved. It is true that they did subsidize the purchase by Victoria and Grey of the assets, they guaranteed the depositors. But the fact is that they were involved, they had their little pinkey in there, and there were a lot of permanent friends of the Conservative Party in this province who have all been in that.

Hon. Mr. Grossman: Like Walter Harris?

Mr. Ben: Walter Harris; you corrupted him.

Mr. Winkler: Mr. Chairman, the attacks on the principles involved in the case here interest me no end. For instance, I have heard the member for Grey-Bruce on previous occasions stand up and ridicule two particular names that he mentioned here again this evening. I suggest to you, Mr. Chairman, that if there is some degree of morality here other than the business deal concerned, which I have no interest in discussing, I want to tell him and his friends in that party line that if we here tonight were to divulge the names of the people of that party who owned a tremendous interest in Victoria and Grey at the time the takeover took place, I think there would be a little less talk. Not only that, Mr. Chairman, but while I am on my feet, I think that for the people in this House who have sat here patiently as the warm July weather has taken over, it does not behoove us to sit here and accept our responsibilities, and then be held hour upon end by people who like to be away for two weeks at a time doing something else that is not their business in the House.

Mr. Sargent: Mr. Chairman, this is a point geared at me I guess, but I must say that it is getting to be a sin to be away from the House for seven days. I do not think it becomes any member of this House to get up and criticize anyone for being absent from the House. Maybe you are taking a shot at me, I do not know; if you were not, if it was somebody else it is all right. But I do not think it becomes any member to get up and take a shot at me; the member for Riverdale took a shot at me last week for not being here.

I want to tell you that I have nine different businesses; I am trying to keep the ball bouncing there too. I have about 60,000 constituents I have to look after too, and they are pretty important—in fact they are more important than the member for Grey South is, and listen to him talk.

Mr. Chairman: Can we get back to the estimates of the Ontario securities commission?

Mr. Sargent: I will get back to the estimates, but I recall another member of this

House who took a shot at a member. He thought he should not be drawing his pay in this House, and that was the lowest blow I have ever seen coming from a member of government. The young chap involved walked across the House and he said to the member, "I am not mad at you." It was the meanest thing I have ever seen in this House for a member to get up and castigate anyone for not being here. If I am not in this House that is my responsibility and not yours. I carry my weight as far as my people are concerned at any time so do not worry about that at all.

On the estimates, I will say this, Mr. Chairman. In all this fiasco we are talking about when millions of dollars were lost in British Mortgage, Atlantic Acceptance and Prudential, not one person lost his job in the securities commission; no one was fired, and no one went to jail. Yet thousands of people lost millions of dollars through incompetency on the part of this government. Any time in the area of business a man does not do his job he is fired but these people were irresponsible.

Hon. A. F. Lawrence: That is not true; at least three people are in jail right now.

Mr. Sargent: I am talking about employees of the department, who were responsible through their lack of operating their jobs properly. Fortunes were lost by thousands of people and no one was hurt at all except the people who trusted this government.

Mr. Chairman: On vote 702; the member for High Park.

Mr. Shulman: Mr. Chairman, I want to go into a different matter involving the Ontario securities commission.

Mr. Chairman: Is there anything further pertaining to Prudential?

The member for High Park.

Mr. Shulman: I referred earlier today to the need for insurance for investors, but tonight I want to discuss the role of the securities commission in the most recent debacle that this government has presided over, and I am referring to the matter of the bankruptcy of Ord Wallington and Company Limited.

On April 16 of this year there was a hearing of the Ontario securities commission in relation to the matter of Ord Wallington. I have the bulletin of the Ontario securities commission for April, 1968, and I would like to read a very small portion of what was stated in this bulletin. I want to stress the date because that is very important, Mr. Chairman—April 16, 1968.

Hon. A. F. Lawrence: Mr. Chairman, I have no desire in any manner, shape or form to try to restrict any members' speeches or discussion in this House, but I think it is public knowledge, at least as of today, that there are criminal charges, I believe, pending in respect of this matter. I think it would be a very serious breach of an old established rule and tradition in law, if not in tradition, and it should not be discussed in this House now while those charges are pending.

Mr. Shulman: Mr. Chairman, on this point of order, if this is a point of order, I understand there are some criminal charges—

Hon. A. F. Lawrence: If there is any doubt in my friend's mind, this is a point of order. In the heat of the chamber, I really do not appreciate snide remarks like that, especially from that hon. gentleman.

Mr. Chairman: Order, please. Order, please.

Mr. Shulman: Mr. Chairman, I would like to speak to the point of order.

Mr. Chairman: The Minister of Mines has suggested that in connection with the bankruptcy of Ord Wallington and Company there are criminal charges pending. I am not at all sure that this would fall under the rules of *sub judice*. Is this what the Minister of Mines is suggesting?

Hon. A. F. Lawrence: Precisely. If this is the matter my friend is discussing, and I think it is.

Mr. Chairman: If it is in fact, then I think we should determine first of all whether or not the matter is actually under investigation or if there are criminal charges pending. If this is in fact true and correct, then discussion on that particular aspect of the matter would be *sub judice*.

Mr. H. Peacock (Windsor West): Mr. Chairman, further to the point of order, I think it is important to point out that there has been a tendency on the part of members opposite to anticipate the introduction of material by members on this side of the House, and to rise to points of order in anticipation, without waiting to hear, as the Chairman and the Speaker have requested on a number of occasions, what the nature

of the material is to be. Then once the material is introduced, Mr. Chairman, the Chairman can rule whether the matter is in order, or the members can take objection to it.

Hon. Mr. Grossman: Damage may be done.

Hon. A. F. Lawrence: After the damage has been done.

Mr. Shulman: Mr. Chairman, may I speak to this point of order? First, what I was going to bring up had nothing whatsoever to do with the charges which were laid against the gentlemen today. I might also point out to you, sir, and through you to the Minister of Mines, that I understand that there are some criminal charges laid against some certain individuals in relation to Prudential, but I did not hear the Minister jumping up to try to stop discussion on Prudential. The situation is exactly the same, Mr. Chairman. I have no intention of discussing the criminal acts of these individuals. What I intend to discuss tonight is the role of the Ontario securities commission in the matter of the bankruptcy. I have no intention of discussing the criminal acts which occurred.

Mr. Chairman: In speaking to the point of order, in view of the submissions by the member from High Park, and after considering the submission of the Minister of Mines, and after reading the newspaper account appearing in the *Telegram*, I do not believe the discussion as outlined by the member for High Park should be ruled out of order.

Mr. Shulman: Thank you, Mr. Chairman.

On April 16, and again let me stress the date, a hearing was held by the Ontario securities commission into the matter of Ord Wallington and Company Limited. Just to give the background to the members, because this case has not received as much notice as has Prudential, I shall read the entire matter. It is quite brief. It is only two pages:

> Present: J. W. Gemel, counsel to Ord Wallington and Co. Ltd., A. S. Wakim, staff counsel.
>
> Ord Wallington and Co. Limited hold registration and are recognized by the commission as an investment dealer. They are not a member of the Ontario district of the investment dealers association of Canada. Although issues were raised, the present decision is directed to the narrow question as to whether this investment dealer has sufficient free-working capital to meet its commitments. The net minimum free-working capital required of this class of registrant is $25,000.
>
> After reviewing the facts developed as of this date, and hearing the evidence adduced and what was said on behalf of the registrant, I must accept the tentative conclusions of our auditors that the company does not have the minimum free capital required, and an actual capital deficiency of an as yet undetermined amount exists. The nature and extent of this deficiency will only be established when the audit now in progress is concluded, and brought forward to the close of business on April 16, 1968.
>
> In the interests of the client and the public, the registration of Ord Wallington and Co. Ltd. was suspended at the close of the hearing on April 16. In the event this decision is appealed I am prepared to detail my reasons for this immediate suspension.
>
> It should be noted that our audit and other investigations continue once the updated audit is completed. A hearing will be convened in which all of the facts developed, including those of which the company now has notice, will be reviewed. The purpose of the hearing will be to consider whether the registration should be reinstated, cancelled, or whether an additional period of suspension should be imposed.
>
> I was assured by Mr. J. G. Wallington, the company's president, that the shareholders were prepared to interject further capital to ensure the public clients against loss. While I have no reason to doubt the good faith with which this assurance was given, the problem is that no one was prepared to say with certainty within several tens of thousands of dollars just how much new capital will be required. The audit will supply this information.

Now let me stress the next few lines because these are critical to what followed:

> While the company will not be permitted to undertake and do business during the period of suspension, it is permitted to complete the trades for which it has already contracted and to make delivery of securities to its public clients, apart from officers, directors, and shareholders of the company. Mr. Wakim has been instructed to furnish the company's counsel

with particulars as to matters which he proposes, as soon as they are available. Mr. Gemel already is in possession of much of this information.

Dated at Toronto April 17, 1968.

Signed,

H. S. Bray, Director.

Mr. Chairman, let me stress this one line again:

The company is permitted to complete the trades for which it has already contracted and to make delivery of securities to its public clients.

Mr. Chairman, perhaps the public has not yet learned that, but statements of fact from agencies of this government cannot be accepted at their face value. I have received a number of letters from clients in the sad position of having bought securities through Ord Wallington, and one of them is so glaring as to show the responsibility of the securities commission in this case.

It comes from a Mr. William Harding of 327 East 34th St. in Hamilton, Ontario. And let me say that this is one of dozens, perhaps hundreds, of persons who lost money in this most recent financial Conservative debacle and who come from Hamilton and district. Mr. Harding wrote to me on May 27 as follows:

Dear Dr. Shulman:

On April 4, 1968, I phoned a brokerage operating under the name of Ord Wallington and Company Limited, 42 James Street South, Hamilton, and placed an order for 350 of Guardian Growth Fund, pfd.

Let me interject to say this is a safe, senior security with relatively little risk, as stocks go.

A cheque for payment was sent out on April 17, 1968—

Note the date, April 17, 1968. This is after this hearing.

—and it was cashed at our bank April 23, 1968.

One week after this commission had made their statement.

On May 1, 1968, I received a copy of my original order, plus payment notice on Ord Wallington and Company Limited's stationery, copy enclosed. This was sent to me from the Ontario securities commission. On May 25, 1968, I received a registered letter regarding an Ord Wallington and Company Limited proposal under The Bankruptcy Act. My name is on the list as an unsecured creditor for the amount of $3,020.50.

Please excuse my writing as I have arthritis, plus coronary artery disease. Thank you for your attention and consideration,

Yours truly,

W. Harding.

So what has happened here, Mr. Chairman? The Ontario securities commission has made a statement. We must accept that they made the statement in good will. They have said, "This company is suspended. However, you are allowed to complete the trade you have now." We see that Mr. Harding saw no reason not to accept the word of the Ontario securities commission. He sent in his money, and they cashed his cheque a week later. Now they say, "Too bad, you cannot get your securities. You are an unsecured creditor. Let us see what we can get back for you, maybe 60 cents on the dollar; maybe 70 cents on the dollar if you are lucky."

I submit to you, Mr. Chairman, that the Ontario securities commission has a moral, if not a legal, responsibility to Mr. Harding, and everyone else in this particular position. They have gone on record on April 16 of this year as saying these trades can be completed, and these securities can be delivered, and if someone in good will, following this, sends money in, surely the securities commission is not going to say, "Too bad about you, you should not accept our word." Surely there is a responsibility on the part of this Minister, with intercession if necessary with public funds, to see that people in this position do not lose money.

Let me say this, Mr. Chairman, in the bankruptcy of Ord Wallington, the amounts involved are not of the huge sums that we saw in the Atlantic collapse. They are small, but from the same type of person who lost money in Prudential. As I go down the list, the losses are $200, $600, $100, $3,000, $8,000, $11,000, $200, $13,000. These are not rich people, these are small investors, people who do not buy speculative securities. If you look at the stock that they bought, as you go down the list, most of them were not the usual type of worthless securities that are sold all too often in this country; they are solid. These people are small investors, saving for their older age. It is exactly the same situation as the Prudential collapse, as far as that goes; the same type of person.

They did not think that they were taking any risk; they were not buying stocks on margin or trying to get an extra-large return. They were not really speculating. These were people who were investing, in all honesty

believing that if you invested with a Canadian broker, and you paid in full for your securities, your securities would be sent to you. Some of the cases are glaring; Harding's case is an unusually glaring one. But all of these cases point up once again the very bad situation that we have in this province in relation to anyone buying securities through a Canadian broker, and it does not matter if it is Canadian or American securities. If they made the mistake of not running down that same day and picking up the securities, or even if they wanted to do that and the securities were not available that day—too bad, out of luck, you are an unsecured creditor.

There are two things I would like to ask the Minister. First, will he take steps to preserve the good name of the Ontario securities commission and see that those persons who sent in money after the Ontario securities commission said that it was all right to do so and they would get their securities, receive their securities? That is the first question. If the Minister answers no, I am going to be extremely disappointed in him.

The second question, and I have less hope on this one, concerns a matter brought up by the member for Humber, and other members. There is a duty on the part of government, when a government body does not do its job properly and does not supervise properly and when people are hurt innocently, or when in fact they are victims of crime, there is a duty to government to step in and reimburse them.

The second question that I am going to ask the Minister, and I am happy to say that the amount of money in this case is not a large sum as compared to Prudential, the total amount of money deficient is $141,000 which is small compared to Prudential because this was a smaller firm, and fortunately there are not as many people involved.

An hon. member: The government will not compensate them all.

Mr. Shulman: Well, perhaps the government should compensate them all, Mr. Chairman. I am going to ask the Minister if he will step in and see that these people who lost their money through no fault of their own will all be compensated to that extent, because simple morality and justice say that they should be and I invite the Minister's comment on this matter.

Hon. Mr. Rowntree: I cannot give that undertaking, Mr. Chairman. I am not prepared to give that undertaking in the words and fashion that has been requested.

Mr. Shulman: Is the Minister not going to make any further comment in this matter?

Hon. Mr. Rowntree: Not at this point.

Mr. Shulman: Well, in that case I will. I thought at least the Minister would act to preserve the good name of the securities commission but perhaps that is not too important in this province, and perhaps it is not salvageable.

I would like to give some other circumstances of people who lost money in slightly different circumstances in the Ord Wallington collapse, Mr. Chairman, and some of the other types of problems that have come up here, to perhaps persuade the Minister to give this matter a second look.

I would like to tell you the story of William Grady, who lives in Orono, Ontario—and most of the people who lost money came from good Conservative areas, and were good Conservative people and one would think that the government would be more considerate of their position.

The point that I wish to bring up now is slightly different and it is this: Why are these persons who have paid for their securities in full not secured creditors? Surely if a person buys securities through a broker, and deposits the securities at a broker and leaves them there with cash on top, surely he should be a secured creditor. If he is not a secured creditor, then there is absolutely no control of our registered brokers.

It is the responsibility of the Ontario securities commission, Mr. Chairman, I believe, and perhaps you will correct me, to oversee the brokers and broker dealers, and securities advisors in the province. It is their responsibility, I believe, to keep sufficiently close surveillance over these brokers to ensure that this type of situation does not go this far. It should be their responsibility to make sufficiently common spot checks, so that individuals are not taken as happened at this time. And I submit that it should come under this vote.

Mr. Chairman: I prefer the technical question raised as to whether or not the creditors were secured or otherwise, which would seem on the face of it to be a legal question rather than a commission question.

Mr. Shulman: This matter, Mr. Chairman, is not before the court.

Mr. Chairman: But you were posing what appeared to be, on the face of it, a legal question.

Mr. Shulman: Yes; to the Minister of Financial and Commercial Affairs. I would like to ask, and I am sure that he has had legal advice on this matter, why these persons are not secured and I am sure that the securities commission has looked into this matter of secured creditors.

Hon. Mr. Rowntree: I think this is a matter to be handled in the bankruptcy court, and The Bankruptcy Act itself sets out the priorities and the sequence of events, and the order in which creditors are to be paid, and there it is. I am sure that the hon. member is as aware of that as I am.

Mr. Shulman: Is The Bankruptcy Act provincial legislation?

Hon. Mr. Rowntree: No, it is federal legislation.

Mr. Shulman: Well, then I would suggest to the Minister that we need provincial legislation too, since obviously The Bankruptcy Act does not protect persons in that situation. I have a man here who deposited cash in the firm. Cash! And he gets a letter back—

Hon. Mr. Randall: Well, what else would he deposit?

Mr. Shulman: Stocks! Most of them deposit stocks, but this man had left cash with the firm, and he got a letter back that he is an unsecured creditor. I would like to suggest to the Minister, through you, Mr. Chairman, that inasmuch as federal legislation does not protect these persons, then it would appear to me that provincial legislation should be the proper place for this type of protection. Once again, Canada, particularly Ontario, is lagging behind and—

Hon. Mr. Rowntree: Mr. Chairman, bankruptcy, if memory serves me correctly and I think it does, is under The British North America Act as being in federal jurisdiction, and not provincial.

Mr. Shulman: Mr. Chairman, through you to the Minister, it was not so many months ago that bankruptcies of trust companies and finance companies suddenly became a matter of provincial interest and legislation.

Hon. Mr. Rowntree: No! Not at all!

Mr. Shulman: Oh, the whole purpose of this legislation was to protect the shareholder in a case such as this. There is absolutely no difference between a bankrupty happening in a financial institution of this type and a financial institution of the Prudential type. It is exactly the same situation as far as the poor persons involved, who bought securities—

An hon. member: What about York Trust?

Mr. Shulman: However, I do not wish to belabour this particular point.

I would like to finish up by saying, Mr. Chairman, that in the bankruptcy of Ord Wellington, the Ontario securities commission has a moral, probably, a legal, responsibility because of what has happened here, and in view of that I have related tonight; but they certainly have a moral responsibility.

The Minister has refused to make any comment. He has refused to make any undertakings but someone spoke earlier tonight of the dry rot that is affecting the Conservative Party in this province. Unless you do something about immoral situations of this type you are going to see far worse.

Vote 702 agreed to.

On vote 703:

Mr. Nixon: Mr. Chairman, the matter of insurance reform in the province of Ontario has been before the House at every session since I have become a member, and more particularly, since the report of the select committee in 1963. This final report recommended, after due consideration and fact finding in this province and elsewhere, that the province should adopt a form of automobile insurance based on the principle of compensation without fault.

I believe this is generally accepted by many people in the insurance field, certainly, by many members in this House. We have had a good exposition of it already today and yesterday from the hon. member for High Park.

I know, Mr. Chairman, that you have heard my colleague, the hon. member for Downsview, on many occasions extolling this principle and urging the acceptance by the government of this sort of insurance; not in a programme under the control, direction and operation of the state, as was urged this afternoon by the representative of the NDP, but one which would have the amount of regulation that we all believe the government should exert over any industry to see that the public rights are properly served and that we, as citizens, are getting a fair return for our dollar spent.

It is not my thought to put any formal proposal before the House. We have already

had at least one of those today and I know, Mr. Chairman, that you are aware that many people in this nation, and this province and in the United States of America feel that this is a reasonable answer to the problems that automobile operators are facing in this province and elsewhere.

One of the leading authorities, Professor Linden has been quoted extensively by members on all sides and I thought that it might be useful, in opening some remarks on this matter—I am sure there are others who would want to ask the Minister for his most recent views on automobile insurance reform—to quote very briefly from a pamphlet that, Mr. Chairman, you will be interested to know is published by the all Canada insurance federation, probably using that $1 million we were hearing about earlier in the day.

It quotes, of course, Professor Linden's paper that was originally published in the centennial issue of the *Canadian Bar Review* in 1967. Since he is quoted as an authority by members on all sides of the House, and in many other Legislatures and Parliaments, I thought it would be wise for me to quote at least one paragraph.

This is from the pamphlet entitled, "The Path of Automobile Accident Compensation in Canada," and quoting directly, Professor Linden states as follows:

> Basic protection would be provided for bodily injury or death to all occupants of an automobile and to any pedestrian struck by that automobile regardless of proof of fault.

Then, without continuing with the argument which has been put many times before, he continues as follows:

> There is no reason, however, other than doctrinaire socialism that would prevent private insurers from underwriting such a loss insurance scheme. Its attributes are many. Immediate compensation for all; the retention of tort law, jury trial and damages for pain and suffering; no socialism; no new board; the schedule of payments would serve only as a minimum.

Now, it is our feeling as Liberals, that the time has come for far reaching reform in the automobile insurance industry. It is obviously necessary that the government brings forward legislation that is going to bring into being the principle of compensation without fault, as a part of an obligatory insurance programme for this province.

There is an argument that is always put forward by the hon. Minister and his predecessors that we in Ontario have achieved what amounts to 100 per cent coverage, without obliging our citizens to have the insurance that we feel is so necessary.

But I believe that we must assume now that the drivers in the province should be obliged to accept the responsibility that goes with operating a motor vehicle on our roads, and that part of this responsibility would be the coverage that would result in compensation without fault as has been recommended by the select committee and is well accepted by those who are knowledgeable in the field.

During the past two or three years, the Minister and his predecessor have been concerned with this matter. Just a year ago, he brought into being what is called, rather peculiarly, "the facility," which replaced the assigned risk plan that had been working in the province for some time and had drawn down considerable criticism from the industry and the government.

The facility, as it is known, is still rather ineffectual in some of its details. I would be particularly interested in the Minister commenting to the House on how he rates its effectiveness now that it has been in operation for a reasonable length of time. But I would also urge him that the time has certainly come when we should undertake sufficient direction of the industry so that we would require the implementation of this principle of compensation without fault.

We have legislation on the books which will be proclaimed in time for the beginning of the next calendar year—which is going to make it available at least in Ontario and across Canada.

But surely it is time that we took the responsible position that we must require the citizens of this province, who are going to make use of our roads with automobile transportation, to see that they are properly covered so that when they are involved in accidents, whether their own fault or someone else's, we are not going to have the unconscionable delays and the tedious courtroom procedures that have held up justice being done as it would be generally recognized.

I would urge the Minister to undertake these reforms. I believe that they would be supported on all sides. I believe we can have reasonable and useful reform in the system without it being taken over by the state. There is a matter here of considerable reform. We have been treated in the past to a detailed description of the programme

and it is not necessary for me to even attempt to do that tonight. The Minister, I know, is concerned with it. He has made extensive references to it in the past and I would be interested to hear his comments tonight.

Hon. Mr. Rowntree: Well, Mr. Chairman, with reference to payment of compensation, regardless of fault, as I indicated earlier in my remarks, provisions for the payment of compensation regardless of fault are now in the new automobile policy which becomes standard in Ontario and the rest of Canada on January, 1969. So it is a matter of some five months away.

Mr. Singer: We are not talking about fault here. We are talking about reforms.

Hon. Mr. Rowntree: All right. Now with reference to the facility, there are three objectives. The first—

Mr. J. Renwick: Mr. Chairman, on a small point—if the Minister will just yield—it is January, 1969, I stand to be corrected. It was to be January 1, 1968. A bill was passed during this session to change that date to a date to be fixed by order-in-council. I would certainly be interested in confirming if the government has decided to bring this Saskatchewan scheme under private auspices in force in Ontario on January 1, 1969.

Hon. Mr. Rowntree: The date that the provinces generally and collectively are setting as a target date is January 1, 1969, and I have a memorandum from the superintendent confirming this so we are looking to that for the necessary proclamations to make it effective on January 1 of next year.

Now, with respect to the facility, there are three objectives: First, to enable insurers to accept any and all automobile risks offered to them through their normal production facilities. This has been accomplished throughout the industry with the exception of only two insurers which as of February 22 of 1968 had not yet subscribed to this plan. They are the English and American Insurance Company Limited and Transport Indemnity Company.

Second, to preserve normal binding arrangements between insurers and their agents. And this has been accomplished on a generally satisfactory basis.

Third, to minimize the motivation for declining risks and cancelling policies in mid-term. The following figures are an indication of the measure of success in minimizing mid-term cancellations. In September, 1967 there were 46 mid-term cancellations; in October, 1967 there were 32; in November, 1967, it was reduced to 22; December of last year six; January, 1968 four; and February, 1968, four.

The driving public, I think, benefits from this situation. In that, for instance, the purchase of automobile insurance for the motoring public becomes easier, especially for the types of risk which have had difficulty in recent years.

Second, in addition such cases, except a category with a high frequency record of accidents and/or convictions which your company or companies will define, will find extensions of coverage available to them beyond the present statutory coverage; for example, third party limits up to $100,000 and collision.

For all perils with deductible of not less than $100, or higher if warranted by the applicant's record or lack of driving experience, comprehensive or specified perils with a deductible of not less than $25, and medical payments up to $2,000. Third, the insured should receive better service under his policy because it will be issued in a normal company-agent relationship.

I am hopeful the facility will be a much more satisfactory arrangement than the assigned risk plan, which led to those disappointments and embarrassments of cancellation in mid-term, which to me was just not acceptable in this day and age, and in the current insurance climate in which we live.

I would hope that next year we will see the total impact of the use of the new facility and that it will work out as hoped. As I am indicating my views on the subject, I think it has turned out to be a pretty good deal.

Mr. Chairman, I move that—

Hon. A. F. Lawrence: Mr. Chairman, before that motion is put, I rise on a point of order, and I do so at this time for two reasons. Number one is, I did not rise before and argue the point perhaps as strongly as I should have because I did not want to delay the matter then before the House as far as the passing of that particular estimate was concerned and, secondly, I rise at this point of the evening solely and simply because at this point of the evening, usually, the press gallery is pretty empty and what I am about to say, I would appreciate not appearing in public print because it, perhaps, may inflame other opinions.

An hon. member: No point in asking that.

Hon. A. F. Lawrence: All right, I ask that as a matter of courtesy. Perhaps if there is none left in the House there may be in other areas relating to the House.

Mr. J. Renwick: This is a public House.

Hon. A. F. Lawrence: It is a question of order relating to the rights of individuals before the courts of this province, and, as I say, I rise at this time because of the reasons that I have given.

I do not care whether the individuals named are good citizens or scallywags, if there are matters pending before the courts of this province which affect the rights of individuals, then I think someone, whether they are in the executive council or not, in this chamber, should rise and protest that matters that are before the courts should not be referred to in this House during the debate.

Let me just recount what happened today and I know nothing more about this matter than what I read in the newspapers today and what I heard in this House tonight. I gather, sir, that charges of theft were laid today against four individuals in this city who happen, I am told in the newspapers, to be principals of a brokerage firm.

Tonight, sir, we came into the House here and we heard an inflammatory speech made relating to this very matter, even the names of the individuals were mentioned. At least one of the individuals, if not more, who were charged today, were named in this House. Now, I am not saying the hon. member did this deliberately, he might not even have known what was in the newspapers today, I do not know, all I am saying to you, sir, is that this was a matter that affected the rights of individuals before the courts and it ill behooves, sir, any member in this House, responsible or not, to stand up and discuss this matter because it affects people's rights and it could possibly, it may not but it could possibly, inflame public opinion or do something to prejudice a fair trial.

That, sir, is why I rose at that time, and I think, sir, the full facts of the matter were not before you. I was condemned by one member for not waiting until the speech had been made. All right, the speech has now been made, and the names of at least one of the individuals charged today were mentioned in this House. And, sir, I must protest to you again, this line of prejudicing the rights of individuals, which has happened before in this session of this Legislature, should not be permitted to continue any longer in the name of justice.

Mr. F. Young (Yorkview): That is the former rebel.

Mr. J. Renwick: Mr. Chairman, if I may speak on this point of order, I share, as every member of this House shares, the concern that the *sub judice* rule apply in the appropriate and proper circumstances. The matter has come before this assembly on many occasions. In this particular instance, agree entirely with the ruling of the chair, which was made this evening, that the rule against *sub judice* matters being discussed in this chamber did not apply to the remarks which were made by the member for High Park. The whole point is that the extent of the application of the *sub judice* rule is a matter of judgment in each individual case to be exercised by the Chairman, either from his own personal awareness of the proceedings which are taking place outside, or because it is drawn to his attention on a point of order.

I object, Mr. Chairman, to the Minister of Mines suggesting again, as it is prone from the government's point of view to suggest, the *sub judice* rule for some reason or other is an all-blanket closure of debate on all aspects of matters which are properly and legitimately matters for debate at the appropriate time in this assembly. If the Minister of Mines was suggesting that he disagreed with the ruling of the Chairman and that the member for High Park breached the *sub judice* rule, then I would suggest that at the appropriate time he give at some length to the Speaker of the House his version of the *sub judice* rule as it applies to one or more specific cases, so that we can get this matter clarified.

The very suggestion that a Minister of the government would stand up and suggest for one moment that there are matters on which he can invoke the closure of the press is to my mind unthinkable, and to suggest that at this hour of the night he would raise in a public assembly his version of how the club operates is unacceptable to me. Mr. Chairman, I agree with your ruling tonight; I think the members of the House do. I object, and will continue to object, to the attempt to make the *sub judice* rule a blanket closure or prohibition of debate on all aspects of matters of public concern. I will abide by any reasonable judgment in each specific case as to what the matters are which are *sub judice*. In this particular instance I listened very carefully, because I respect on most occasions the remarks of the Minister of Mines. I listened very carefully to what the member for High Park had to say, and there was no

breach of any known interpretation of the *sub judice* rule, Mr. Chairman.

Hon. A. F. Lawrence: Mr. Chairman, I have already given you my views of how this applies to this specific instance, and I wonder if the hon. member was listening carefully enough that he even heard the name, as I say, of one or more of the individuals who were charged today, mentioned by the hon. member. The hon. member himself, of course, may not appreciate the responsibility he has in this chamber. What we say in this chamber is privileged, and it is a very onerous duty on each of us. I fear that some of us at some times do not appreciate the high level of responsibility we should have when we say things in this House and elsewhere, because those words are privileged.

Similarly, though, I think the hon. member should appreciate that what he says can then be reported in the press in a manner in which, if the press itself went out and printed those things, they themselves would be liable perhaps for contempt of court. In this particular case, there were questions thrown about unsecured credits in respect of share certificates, and presumably these are the very matters that are going to form the basis of theft charges. And the names of the individuals were mentioned here in the House tonight. I say to you, sir, that it is my belief that what transpired in this House tonight could—may not but could, and this is always the danger that we have to put up with—prejudice the fair trial of individuals. As I say, I have no more knowledge of them at all. There were sneering remarks made about Conservative firms, and Conservative supporters, and what not. I have never even heard of these people before or even heard of this brokerage firm until today when I read about this in the newspaper. But I do not care who they are, their rights, sir, were transgressed in this House tonight.

Mr. Chairman: Well, if the Chairman may reply to the matter raised at this particular time, when the Minister of Mines did rise on a point of order earlier this evening, the Chairman was guided by the fact that he must determine in each individual case whether, in his opinion, the rights of any individual are going to be prejudiced in any way, and if, in the opinion of the Chairman, such rights will be prejudiced, then it is the prerogative of the Chairman to immediately intervene and see to it that no such discussion takes place.

When the point was first raised, I did believe that there was a possibility the matter should be ruled *sub judice*. However, the member for High Park rose in his place and indicated that he only wanted to discuss and debate the matter of this particular bankruptcy insofar as it pertained to the Ontario securities commission, and that he did not wish in any way to debate or discuss the four individuals involved—I believe that is what the member for High Park indicated through the Chairman, and this is the basis on which the Chairman did make his ruling.

I might point out that in referring to a ruling of Mr. Speaker Morrow, the precedents of this House indicate that the chair has consistently exercised discretion in connection with each individual case in a very generous way, so as not to unduly curtail debate, and in the opinion of Mr. Speaker Morrow this is how the discretion should be exercised in order to give flexibility. But, nevertheless, the discretion should remain where it is, that is with the chair.

I say to the Minister of Mines, and to the members of the committee, that as Chairman I exercised what, in my view, was discretion. There was no indication to me that the rights of any individuals were going to be prejudiced and while I was not in the chair for the full course of the remarks made by the member for High Park, I was, nevertheless, listening in the lounge, and I must say I did not hear anything that, in fact, could have prejudiced any charges that are now pending or that may be pending.

Hon. Mr. Rowntree moves that the committee of supply rise and report it has come to certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Tomorrow, Mr. Speaker, we will continue with estimates and possibly look to the order paper and some bills, and I would remind the hon. members that tomorrow evening the House will not sit.

Hon. Mr. Rowntree moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:10 o'clock, p.m.

No. 143



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Wednesday, July 10, 1968

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, JULY 10, 1968

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon among our visitors I am sure that we are pleased to have a delegation down to visit the government from the Old Order and Amish Mennonites from the county of Waterloo, and I am sure that they will enjoy seeing the business of the province of Ontario conducted here this afternoon.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I have a question for the hon. Minister of Energy and Resources Management. Is the Minister aware that serious pollution in the Ottawa area, particularly in the Rideau River, has resulted in the closing of beaches because of the coliform counts? Secondly, what action will the Minister take to assist in this matter?

Hon. J. R. Simonett (Minister of Energy and Resources Management): Mr. Speaker, yes I am aware that the coliform count in the Rideau River has resulted in the closing of certain bathing beaches by the Ottawa health department. In answer to the second part, the Ontario water resources commission is aware of this situation, and staff are in the area to ensure that all possible steps are taken to temporarily remove the source of this contamination. At the same time, the OWRC is holding discussions with the municipalities concerned and the new Ottawa-Carleton administration to expedite the provisions of regional collection and treatment facilities for the permanent solution to this problem.

Mr. Nixon: Mr. Speaker, may I ask the Minister if the legislation setting up the metropolitan government has in any way interfered with the means whereby the OWRC would have to assist in the abatement of this pollution?

Hon. Mr. Simonett: Mr. Speaker, I would say no.

Mr. D. C. MacDonald (York South): Mr. Speaker, my first question is to the Prime Minister. Is there any meaningful way in which this assembly can express its support of, and sympathy for, the people of Biafra, and its abhorrence of the genocide which is taking place there as a result of the invasion of that country by Nigerian armed forces?

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I suppose the key word is "meaningful" really; it is an international problem. We have been in touch with the government in Ottawa about it and the problem really is not one of providing supplies, it is a method of getting them into the country. We have indicated that we would be prepared to assist in any way that fell to us as a government, but it is an internal problem in the country and we have no method of bringing any influence to bear on how that country conducts its affairs.

On the other hand I would feel free to say that I am told that the government in Ottawa, the Canadian government, is making efforts in the international field to remove some of the road blocks so that help could be given to these people, and if such came to pass, then the governments here would be quite prepared to assist in any way we could, if the opportunity revealed itself and was possible.

Mr. MacDonald: My second question is to the Provincial Treasurer. What are the terms of reference of the issues relating to the appropriate bargaining units for public servants that have been referred to Judge Little? When is a report from Judge Little expected?

Hon. C. S. MacNaughton (Provincial Treasurer): Mr. Speaker, in answer to the hon. member, may I say that on July 14 last His Honour Judge Walter Little was appointed by order-in-council 3173A67 as a special advisor to review and report upon collective bargaining in the public service of Ontario and the Crown agencies and commissions as defined in The Public Service Act.

The terms of reference include a number of items in addition to the question of determining appropriate bargaining units. I think at this point it would be appropriate for me to read from the order-in-council. It says:

> The Provincial Treasurer further recommends that such a study shall have due regard to the public interest and be of such nature and extent that said special advisors shall in particular report upon:
>
> (1) The determination of appropriate bargaining units.
>
> (2) The recognition and employee support of bargaining agents.
>
> (3) The scope of bargaining.
>
> (4) The form that a grievance may take.
>
> (5) The method and procedures of negotiation within the bargaining system in which compulsory arbitration is the final means of resolving dispute.

As far as when his honour will complete the hearings, I would point out that he has already held a considerable number of meetings with the interested parties and these meetings are continuing. So I am really obliged to say, Mr. Speaker, that the date upon which he will complete his review and make his report rests largely with Judge Little but I believe he is well advanced in his consideration of the matters which are within the terms of reference. I cannot be more precise than that because it is still in the hands of the judge himself. I will send you a copy of the order-in-council if you wish.

Mr. Speaker: The member for High Park.

Mr. M. Shulman (High Park): Mr. Speaker, I am rising on a point of personal privilege. One of the important privileges of this House is the right to fair reporting. Yesterday I rose in the House in connection with the Toronto *Telegram* of Tuesday, July 9, and the particular quote which I referred to at this time was:

> Dr. Shulman did not reply to a challenge from George Ben, Liberal, Toronto Humber, a lawyer, to repeat some of his comments outside the Legislature where he would have no protection against legal action.

I protested yesterday in committee that this interchange had never occurred and the member for Humber had never made such a request. I added, however, if any member wished me to repeat my speech outside the House I would be pleased to do so.

Mr. J. H. White (London South): We wish the hon. member would give them all outside the House.

Mr. Shulman: Mr. Speaker, I addressed the *Telegram* at that time, and expressed the hope they would print a correction. In today's *Telegram* I wish to quote the article which they have printed, sir, and I then will have some comments to make. The heading is,

> SHULMAN HAS TO EAT HIS WORDS
>
> MPPs laughed uproariously yesterday as Dr. Morton Shulman bitterly attacked the *Telegram*—then had to eat his own words. The High Park New Democratic member criticized a *Telegram* report of a debate the night before which said George Ben, Liberal MPP for Humber, challenged him to repeat outside the Legislature statements he made in it about insurance company profits.
>
> Dr. Shulman said he did not think Mr. Ben made any such challenge. He hurled a crumpled copy of the paper to the floor snarling, "The *Telegram* has its usual accuracy."
>
> Footnote: A moment later Mr. Ben arrived in the House and said he had indeed challenged Dr. Shulman to produce facts and figures outside the House. Dr. Shulman—for once—was speechless.

Interjections by hon. members.

Mr. Speaker: Order, order.

Mr. Shulman: I have gone over the preliminary *Hansard* for both days, sir, to make certain I did not have some aberration of memory. The hon. member for Humber made no such comments. I have since spoken to him outside of this chamber to confirm the *Hansard*, and I wish to draw to your attention May's, in its most recent edition, on page 126, which reads as follows:

> The publishing of the names of the members of this House in reflecting upon them and misrepresenting their proceedings in Parliament is a breach of the privilege and destructive of the freedom of Parliament.

I should think the member for London South would second me in these comments.

Now I would like to point out to you, sir—

Hon. A. Grossman (Minister of Correctional Services): The hon. member belongs in the NDP all right. He can dish it out, but he cannot take it.

Mr. Shulman: We can take the truth very gladly.

Mr. Speaker: Order, order!

Mr. Shulman: The newspapers have a perfect privilege to report or not report whatever they wish of the proceedings of this House. They do not have the right, sir, to misrepresent what is occurring here. This particular newspaper has made a pattern of misrepresentation of matters referring to anything in this party. Mr. Speaker, this is a flagrant example, and I say to you, sir, and through you to the Prime Minister, that I can understand that your sympathies would not be with members of this party, but this is a matter involving the Legislature as such. I put it to you, sir, and through you to the Prime Minister, to read *Hansard*, and after reading *Hansard*, sir, provided there is no retraction in that newspaper, it is my intention to ask that the publisher of this newspaper be called before the bar of this House.

Mr. Speaker: I will be pleased to look into the matter as suggested by the member. The member for Thunder Bay has a question.

Mr. J. E. Stokes (Thunder Bay): Yes, Mr. Speaker, I have a question for the Minister of Lands and Forests.

Does the Algoma Central Railway have the right to charge for and issue licences of occupancy on land held by that company?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, in reply to the hon. member for Thunder Bay: This land is private, therefore we have no jurisdiction over the use of the land. The ACR have the same rights as any other private land owner.

Mr. Speaker: The member for Grey-Bruce has the floor.

Mr. E. Sargent (Grey-Bruce): A question to the Minister of Financial and Commerical Affairs:

1. Will the Minister advise if issuers and underwriters of securities will be held liable for any erroneous information in offering circulars, and what punitive damages may be assessed as a deterrent?

2. Of the 249 Ontario securities commission investigations still pending, as listed on page 457 of the annual report, how many will be dealt with by the end of 1968?

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Under section 136 (1) of The Securities Act, 1966, every person making a statement in any application, report, prospectus, return, financial statement or other document, required to be filed or furnished under the Act or the regulations that, at the time and in the light of the circumstances under which it is made is false or misleading with respect to any material fact or that omits to state any material fact, the omission of which makes the statement false or misleading is guilty of an offence and on summary conviction is liable to a fine of not more than $2,000 or to imprisonment for a term of not more than one year, or to both.

Every director or officer of such company, who authorized, permitted or acquiesced in such offence is guilty of the same offence and subject to the same penalties. The company itself may be fined up to $25,000.

Under section 343 of the criminal code everyone who makes, circulates or publishes a prospectus, statement or account, whether written or oral, that he knows is false in a material particular, with intent:

(a) To induce persons, whether ascertained or not, to become shareholders or partners in a company;

(b) To deceive or defraud the members, shareholders or creditors, whether ascertained or not, of a company;

(c) To induce any person to entrust or advance anything to a company, or

(d) To enter into any security for the benefit of a company, is guilty of an indictable offence and is liable to imprisonment for ten years.

Section 141 of The Securities Act, 1966, provides that where a prospectus has been accepted for filing and whether the purchaser received the prospectus or not, if a material false statement is contained in the prospectus, every person who was at the time of its acceptance a director of the issuing company or who signed the certificate to the prospectus as an officer or promoter of the company is liable to pay compensation to all persons or companies who purchased the securities for any loss or damage such person or companies have sustained as a result of such purchase unless it is provided.

(a) That the prospectus was filed with the commission without his knowledge or consent, and that, on becoming aware of its filing with the commission he forthwith gave reasonable public notice that it was so filed;

(b) That after the issue of a receipt for the prospectus and before the purchase of the securities by such purchaser on becoming

aware of any false statement therein, he withdrew his consent thereto and gave reasonable public notice of such withdrawal and of the reason therefore;

(c) That with respect to every false statement he had reasonable grounds to believe and did believe that the statement was true;

(d) That he had no reasonable grounds to believe that an expert who made a statement on a prospectus or whose report or valuation was produced or fairly summarized therein was not competent to make such statement, valuation or report, or

(e) With respect to every false statement purporting to be a statement made by an official person or contained in what purports to be a copy of or extract from a public official document it was a correct and fair representation of the statement or copy of or extract from the document.

Now with respect to the second question referring to the annual report of the department, page 50 of the report states as follows:

> Approximately 146 informal investigations were carried over from 1966. In 1967, 253 were commenced, making a total of some 399. Of these investigations, 159 have been closed since the beginning of the year, leaving a balance of 249 outstanding.

While a precise estimate is not possible for the whole year, as at June 30, 1968, there were 213 informal investigations outstanding; 99 informal investigations had been closed during the period January 1 to June 30, 1968.

Mr. Sargent: Mr. Speaker, will the Minister accept a supplementary on this? What is the reason for this big backlog of cases?

Hon. Mr. Rowntree: The commission is continually conducting investigations and I would expect that at any given time there will always be a number of investigations which are current.

Mr. Sargent: How many cases under this section are in the backlog?

Hon. Mr. Rowntree: I would have to check that.

Mr. Sargent: Are there any?

Hon. Mr. Rowntree: I would have to check that.

Mr. Sargent: Mr. Speaker, a question to the hon. the Prime Minister: Why are brewers' warehouses granted a monopoly on the sale of beer in Ontario, and why cannot beer be sold in grocery stores?

Hon. Mr. Robarts: Mr. Speaker, the Brewers Warehousing Company, the organization that distributes beer, was set up in 1927 at the request of the government of the day after the proclamation of the first Liquor Control Act following a period of prohibition.

It just simply developed as a means of distributing beer throughout the province. It became obvious that it was impossible to distribute liquor, wine and beer all from the same outlets. There is the question of storage, refrigeration, return of bottles, and so on, so it really developed simply as a method of distributing beer to those in the province who wished to consume it.

After World War II, the Brewers Warehousing Company was formed by the breweries themselves as a non-profit organization in order to effect this distribution and it has continued in that way to the present time.

As far as the sale of beer in grocery stores is concerned, it is not government policy to permit it.

Mr. Sargent: Thank you. Mr. Speaker, a question to the Provincial Secretary. Will the Minister advise if there are any restrictions in the granting of a charter to open a brewery in Ontario; and what steps are necessary to acquire the same?

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, perhaps the easiest and simplest way to answer this question would be to indicate that if it is a provincial charter the member is interested in, the application would proceed in the normal way and that the provision of The Corporations Act, The Liquor Control Act of Ontario, The Liquor Licence Act and all the regulations under those Acts would have to be complied with. And in addition to this, because of the—

Mr. Sargent: Wait a minute, I do not get the Minister. Would he say that again slowly, what are all the steps you have to go through?

Hon. Mr. Welch: Well, it would be by way of applying for a provincial charter. I am assuming that the member, Mr. Speaker, wants a provincial charter to form a company in order to produce this particular commodity. Therefore, to answer the member's questions, he would have to comply with The Corporations Act, The Liquor Control Act, The Liquor Licence Act and the regulations under those particular Acts. And, in addition, he

would have to satisfy the licensing regulations of the government of Canada.

Mr. Sargent: Would it be forthcoming—just say "yes" or "no"—would we get a charter? This is very important. Do we have a monopoly now or what do we have in this province?

Mr. Speaker: Order!

Hon. Mr. Welch: Well, Mr. Speaker, if one could cut through the editorial comment of a supplementary question, and simply get to the fact that we cannot give a yes or no answer to any question in advance of the consideraton of the application, because you have to satisfy all the provisions to which I made reference. And the issuance of charters at the moment under the present Corporations Act is one of discretion that lies with the—

Mr. P. J. Yakabuski (Renfrew South): The member wants a simple answer to a simple question.

Hon. Mr. Welch: Now I have forgotten what I was saying.

Mr. Sargent: Why do you not ask the boss there, and he will give you one? It is as simple as that.

Hon. Mr. Welch: All I am pointing out is that it is not possible to give an answer until such time as one could satisfy oneself as to whether or not one could comply with all of these provisions and regulations to which I have already made reference.

Mr. Sargent: Does the Minister think he could satisfy all these people? This points out the monopoly control.

Mr. Speaker: Order! The member is asking questions.

Mr. Sargent: Mr. Speaker, to the Minister of Land and Forests: Is the government going to continue to permit logging operations with the attendant large logging roads to exist in Algonquin park in view of the fact that The Department of Lands and Forests has a stated policy to maintain primitive zones in Algonquin, as well as other provincial parks?

Is the Minister aware that there is a growing number of logging roads now being constructed in the wilderness areas of the park, totalling up to an estimated 1,400 miles of logging roads in length and that there is continual use of chain saws cutting timber in this natural park?

Further, will the Minister advise if the revenue from royalties and cutting pays for the cost of policing and handling of this destruction of our natural resources in Algonquin?

Hon. Mr. Brunelle: Mr. Speaker, may I first thank the hon. member for his great interest in one of our finest and largest provincial parks in Ontario?

In reply to the first question, Mr. Speaker, no logging operations are permitted in primitive zones in Algonquin park or in any other provincial park as set out under The Provincial Parks Act.

I am well aware of the logging roads in the interior of Algonquin park and of the cutting of timber. This is being done, Mr. Speaker, to harvest a mature renewable resource and it is carried out under very close supervision, under a management plan. All roads are individually authorized. The revenue from royalties does look after the administrative and management costs.

Mr. Sargent: Does the Minister have any comment on the league to save Algonquin park announced at the press conference this morning at the Royal York hotel?

Mr. Speaker: Order!

The member's question is not supplementary to his other questions. If he wishes he may put a question tomorrow.

Mr. Sargent: Are these people wrong in the statement that the department has 240-foot wide logging roads in this park, 1,400 miles in length?

Hon. Mr. Brunelle: Mr. Speaker, may I mention that, as I said earlier in my remarks, Algonquin park is one of the most scenic and one of the most important parks on the North American continent. We are at the present time carrying out a master plan. Months and months of study have been done on this master plan and it will be out sometime this fall.

We will have public hearings in the Algonquin park area and as you know, under the park zoning, we have recreational zones and primitive zones. We believe in the multiple use concepts and we are trying to look after the interests of all the people; those who are naturalists and those who derive a living. We believe that this can all be done under a provincial park plan, and I am sure that

the hon. member, once he sees this plan this fall, he will agree that it is a really worthwhile plan.

Mr. Sargent: I have a question for the hon. Prime Minister in the absence of the Attorney General. Is the Premier prepared to investigate the three day's jail sentence given to a 16-year-old St. Catharines girl for the theft of an 89 cent package of eye shadow, as reported on the editorial page of the *Globe and Mail* this morning which says:

Mr. Speaker: Order, the question as submitted to the Speaker ended just there.

The member did not put the additional material in this morning so it will not go in at the moment.

Hon. Mr. Robarts: I have asked for a report on this incident.

Mr. Speaker: The member for Peterborough.

Mr. W. G. Pitman (Peterborough): Mr. Speaker, I would like to direct a question to the hon. Minister of Education and University Affairs. Can the Minister ensure the House that there will be sufficient places for well qualified applicants to Ontario universities this fall? The rejection of qualified applicants at the University of Toronto, St. George campus, is not indicative of an overall shortage of places?

Hon. W. G. Davis (Minister of University Affairs): Mr. Speaker, I indicated to the House at the time of the estimates of the department, and I do again today, that from our estimates I can assure the members of the House that there will be sufficient student places at the provincially assisted universities of Ontario in 1968-69 for all qualified applicants. To clarify the situation at the U of T, it should be noted that recent reports on the enrolment situation at the St. George campus have been made on the basis of initial review of applications. The hon. member is perhaps more fully aware than some that there are on occasions multiple applications, and it is still early to determine just how many actual applicants will be at the University of Toronto.

When the students have made their basic choices and the situation becomes more settled, we shall have a clearer picture as to the number that can be enrolled at that particular location. In any case, on the basis of current evidence the university is hopeful that any student who meets the admission requirements at Toronto will be able to attend either Scarborough or Erindale Colleges if a place on the St. George campus is not available.

Mr. Pitman: If I might ask a supplementary question: Is it the policy of The Department of University Affairs to keep any type of tabulation of the number of places that now exist in the university? As the Minister knows, the qualified applicants are already enrolled in first year, unlike other years when the grade 13 exams did not come out till the middle of August, and I wonder if the university has any running tabulation for all the universities in Ontario, and where places are available.

Hon. Mr. Davis: Mr. Speaker, I am not sure just how accurate or up to date the information is that we get basically from the universities. We get from them, shall we say, a running table that we keep on the number of applications, and those institutions that still have student places available. This is why I am in the position today to assure the House that there will be sufficient student places in some universities for qualified students in the 1968-1969 academic year.

Mr. Speaker: The member for Port Arthur has a question from July 4 of the Minister of Transport, and one from yesterday of the Minister of Labour.

Mr. R. H. Knight (Port Arthur): Thank you, Mr. Speaker. I think that the question for the Minister of Transport (Mr. Haskett) was properly answered yesterday through questions asked by my colleague from Rainy River (Mr. T. P. Reid). I am satisfied with the answer that the Minister gave at that time.

I do have a question now for the hon. Minister of Labour: What special measures are taken by the Minister to improve the labour situation at the Lakehead, where some 4,000 workers are idle in the construction industry, and where 800 workers are on strike at Can-Car, and where labour unrest continues among 1,300 grain elevator operators and among the forest industrial workers in the area?

Hon. D. A. Bales (Minister of Labour): Mr. Speaker, the labour disputes cited by the hon. member will have to be settled at the bargaining table through realistic give and take by both sides. There are no emergency or special measures that can be taken by The Department of Labour beyond bringing the parties to the bargaining table at the appropriate time and giving them third party medi-

ation assistance so that they can resolve their own difficulties.

It is neither possible nor desirable for the department to attempt to dictate settlements. What does and will bring about settlement is the willingness of the parties to compromise, aided by patient mediation work.

I might add that in reference to the construction matters, meetings are going on there at the present time with those trades that have not been settled and quite a number of those people who are out on strike have actually reached agreement in their particular trade. I might also add that the grain elevator workers are under federal labour jurisdiction and this is not a matter in which the Ontario Department of Labour is involved.

Mr. Knight: Mr. Speaker, would the hon. Minister accept a supplementary question?

In view of the apparent snowball effect that these labour disputes have, all coming to a head unfortunately at the same time, and in view of the great disturbance it is causing the people at the Lakehead, is there any hope at all that this Minister and this department can offer the people at the Lakehead? Could he say at this time when the department would be prepared to step into any of the disputes and whether it is involved in any of them at the present time, in any way?

Hon. Mr. Bales: Mr. Speaker, I think I indicated that meetings were going on and we were deeply involved and have been for some time. We are doing all we can to appease the situation.

Mr. Speaker: Orders of the day.

THE SCHOOLS ADMINISTRATION ACT

Hon. W. G. Davis (Minister of Education and University Affairs) moves second reading of Bill 172, An Act to amend The Schools Administration Act.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, the amendments to The Schools Administration Act come before us year by year, usually late in the session as is the case this year. Quite often it is one of the last pieces of business we deal with before the session finally draws to a conclusion. As usual, the amendments this year are quite a grab bag of a number of matters of timely importance to the school system of Ontario.

I will not take the time of the House, Mr. Speaker, to read them all, but many of them are related to changes made necessary by Bill 44, which established the county units. But looking down the list I see that there are amendments that deal with school leaving age, teachers' board of reference, the fencing of school premises, the rights for the investment of funds by boards, employee insurance, the honorarium paid to trustees, moneys available for student board and lodging or supervisory offices, the abolition of the consultative committees, and so on.

In other words, Mr. Speaker, this bill as in the past, is a housekeeping bill which is designed to keep up to date the business of education in the province. It contains within its covers, the changes that are needed to keep education up to date, meaningful and operating in a modern and efficient way.

There is one glaring omission in the amendments that are before us. Since there is no specific principle other than the fact that within the covers of the bill we are expected, as members of the Legislature, to provide amendments which will keep the teaching profession, the trustees and the business of education up to date and I want to draw your attention briefly to this omission. I would begin by quoting from a statement by H. R. Wilson, president of the Ontario teachers' federation, in a memorandum to the members of the legislative assembly.

Hon. Mr. Davis: Mr. Speaker, on a point of order. As I understand the rules of this House, when we are dealing on second reading with matters of principle, unless there is a section in the bill which specifically refers to the matter that the hon. leader of the Opposition may wish to raise, then it is not relevant as it relates to second reading. I submit, with respect, Mr. Speaker, that to raise this particular issue on second reading is not within the rules of this House. It is not relevant. However, I do say this, Mr. Speaker, that I in no way wish to inhibit discussion, as I indicated to the member for Peterborough (Mr. Pitman), I believe, two days ago. If second reading were finalized today and the education committee were to meet tomorrow, then I would notify members of the OTF and the trustees council so that the full education committee and those who have an interest in the matter could be heard. If the hon. leader of the Opposition wishes to raise something, then I think at the education committee tomorrow morning, Mr. Speaker, would be the appropriate time to do so. I am more than prepared to see that this is done and I say with respect, as a matter of principle, that the matter being

raised by the leader of the Opposition does not relate to a specific section within The Schools Administration Act, and as a result, cannot be considered on second reading here at this time.

Mr. Nixon: Mr. Speaker, if I might speak to the point of order. I would point out to you that it appears the Minister of Education is anticipating my remarks, although in this case he is correct in assuming that I am intending to speak about the transfer review board. But I would draw to your attention, sir, that the Minister himself has indicated that this is a matter that will be discussed by the committee and I feel it is important enough to draw to your attention briefly this afternoon.

I have tried in my opening remarks to indicate, sir, that I believe the principle of this bill is larger than simply the *minutiae* contained in the various sections—that it is the housekeeping bill for this particular Minister and the department. It comes before the House once a year, and there is a matter of importance and principle that would fairly, I believe, be discussed at this time.

Since the Minister has anticipated my remarks I can tell you, sir, that I do wish to discuss briefly the transfer review board and the Minister himself has said in the committee that this bill would be the vehicle for such a discussion—even though I suppose if the rules, as he interprets them, were to be applied it would not be in order in the committee either. He has protested, Mr. Speaker, that he does not want to cut off discussion. Surely I do not, and I trust that you do not, and I would ask, sir, that you permit me to continue with my remarks.

Mr. Speaker: It would appear to me that the leader of the Opposition wishes to discuss a matter of principle which is not a principle in the bill, having by arrangement or design or otherwise not been included in this bill. Therefore, strictly speaking it would be my opinion that it was not debatable on second reading but I know it is a matter of wide interest and I am only fearful that the remarks of the leader of the Opposition will spark a debate which will be entirely out of order.

In view of the Minister's statement that it will be considered in another place by the committee even though it is not in the bill at the moment, it would seem to me that the best method of dealing with it would be not to debate it here. But I am not persuaded that the matter of principle which is not in a bill is not a matter of principle that can be debated when the bill is being debated, if the members follow me.

Mr. Nixon: I do.

Mr. Speaker: Therefore, as the leader of the Opposition undertook to keep his remarks brief, I would declare that his remarks be in order.

Mr. Nixon: Mr. Speaker, I appreciate your ruling. I have made a commitment that I will be brief, and certainly I will fulfil that. But before continuing with my remarks I would like to draw to your attention, sir, that the hon. Minister's view that what would be out of order here would be in order at the committee tomorrow surely is an incompatible and peculiar view of the rules of the chamber. If you rule that I continue, I must assume that my remarks will be in order and I will endeavour to keep them brief.

At the moment of the hon. Minister's interjection by way of point of order, I was quoting from the statement made by H. R. Wilson, president of the Ontario teachers' federation in a memorandum to the hon. members of this chamber with regard to the provision of a transfer review board. I will read only one four-line paragraph from this particular part of his submission, Mr. Speaker.

> There is general agreement throughout the province among trustees, including members of the Ontario school trustees' council and school administrators, that the matter of transfer is the teacher's greatest concern with regard to the reorganization of school jurisdictions.

In other words, Mr. Speaker, certainly it is a matter of principle in the broad ambit that this bill should encompass.

There are many hon. members of the House who have served on boards of education and as trustees, and I am sure that they will be quick to agree with me when I would say that our trustees are capable. Most of them are now democratically elected, and with the proclamation and implementation of Bill 44, all will be democratically elected and be responsible to their own electorate. But it is the fear of the Ontario teachers' federation, and I would say a distinct possibility in reality by any objective view, that the boards of education may find in some areas that it is at least possible to undertake the transference of teachers in their employ to rather unattractive or perhaps outlying areas that are bounded by the new and enlarged jurisdictions in the county boards, and cer-

tainly in northern Ontario where the areas are very large indeed.

It is possible, as has happened in the past, that the boards, rather than taking a straightforward means of disciplining a teacher or even accomplishing dismissal, will order his transference to another location for teaching which would be tantamount, I suppose, in many cases to the teacher voluntarily withdrawing from employment. I am not saying that this would happen frequently. The Ontario teachers' federation has seen fit to put before the Minister, but not before the standing committee as yet, evidence that it has happened in the past in the township school areas.

No one believes that a competent board would do this, but surely any irresponsible action of this type would be a very serious matter indeed. But the very fear that it might happen and the experience that the Ontario teachers' federation has had in years gone by, has led them to recommend to the standing committee of education and to the Minister, that a transfer review board be implemented, and that it should be implemented by the bill that is presently before us.

The Minister has not seen fit to include this, although he has indicated at the standing committee on education that he may have some alternatives, perhaps involving looking at the situation and discussing it more fully, with the possibility of offering admendments in the future.

I believe that this is inadequate. I believe, Mr. Speaker, that it is necesary that such a review board be established now with the hope that it be used rarely, if at all. But it would be there for the use of any teacher under proper circumstances, so that any possibility of irresponsible action on either side would have an objective and fair remedy. This bill, of course, contains many changes of rather insignificant nature, and some are more important than others, which of course, we agree to in principle. But I believe sir, that the serious omission having to do with the transfer review board is one which we should consider in the Legislature at this time.

There is some question as to whether the matter can be acted upon in the committee itself, and I feel, since it is a matter of some continuing importance that my course of action is very clear, and that I should offer for the consideration of the House, Mr. Speaker, the following amendment to the motion, that the bill be now read a second time. My motion reads as follows:

That the words, "the bill be now read a second time" be struck out and the following substituted therefor: "the bill be withdrawn and re-introduced by the Minister, containing a provision for a teacher transfer review board."

Mr. B. Newman (Windsor-Walkerville): Want me to second it?

Mr. Nixon: Yes. Seconded by the hon. member for Windsor-Walkerville.

Mr. Speaker: The leader of the Opposition moves, seconded by the hon. member for Windsor-Walkerville, that the words in the motion for second reading of Bill 172, the words "the bill be now read a second time" be struck out and the following substituted therefor: "The bill be withdrawn and re-introduced by the Minister containing a provision for a teacher transfer review board".

Hon. Mr. Davis: Mr. Speaker, just speaking to a point of order if I may, and I raised this with you before in hopes that we might avoid some precedent that might establish some difficulty for this House, Mr. Speaker, because I draw an analogy between the rules of the House and the rules of the committee. Perhaps it is not quite accurate, as I read the motion moved by the hon. member for Eglinton and seconded by the hon. member for York North that standing committees of this House for the present session be appointed for the following purposes, and I have no intention of reading all the purposes, but one is on education and university affairs:

> Which said committee shall severally be empowered to examine and enquire into all such matters and things as may be referred to then by the House, and to report from time to time their observations and opinions thereon and so on.

I think, Mr. Speaker, on the wording of this motion which was carried by this House, it indicates very clearly that the function or the opportunities to go beyond a particular piece of legislation exists for the committees and this surely is a matter of principle. We should be very careful, Mr. Speaker, that we do not extend beyond the actual principle that is expressed in a particular piece of legislation and the education committee gives ample scope for consideration of this matter.

I am quite prepared to debate it here, Mr. Speaker. I just am very hopeful that we are not establishing a precedent that will not

come back perhaps to cause us some difficulty in the future, because obviously the members in the NDP will have some observations to make and I, too, shall have something to say about the amendment proposed by the leader of the Opposition, because I do not think really that it is in order, and also I do not think it will resolve the problem that we face with respect to the transfer review board, but I shall reserve that when I speak to the motion.

This was a point of order, and I just bring it to your attention again, Mr. Speaker, whether this particular motion moved by the leader of the Opposition is in fact in order at this time.

Mr. W. G. Pitman (Peterborough): Mr. Speaker, I wonder if I could speak to this point of order as well. I share some of the reluctance of the Minister in regard to this particular method of reaching a decision on the transfer review board. First, I think it was only with the greatest reluctance that you, sir, agreed to a discussion of this matter in the House on this particular piece of legislation. To discuss the principle, I think, is a a very different thing than from actually placing before the House a measure which would deal with that particular principle which is not being debated as a part of this bill.

The second matter which bothers me about this particular amendment is the nature of the amendment itself. In actuality, I think the desire of both the Ontario teachers' federation, and other bodies are for teacher transfer review boards. I do not think a single teacher transfer review board for the province is a matter of discussion in any way whatsoever.

Hon. Mr. Davis: Completely impractical!

Mr. Pitman: It would seem to me that this would indicate that there would be a single board which would be involved in determining transfers throughout the province.

Mr. Nixon: Is the hon. member now on a point of order?

Mr. Pitman: I am sorry, I shall return to this particular point.

Now, Mr. Speaker, perhaps I might give a little background on this matter. I placed an amendment before the committee on education and university affairs some months ago. It was an amendment to Bill 44 in which there would have been provision for a transfer review board.

At that time the Minister indicated that it would be more appropriate that an amendment be placed within The Schools Administration Act. On the suggestion, and after discussion, I, with the support of the member for Sudbury, withdrew that amendment from the committee on the basis that this bill would eventually reach the House. Now it has been the suggestion of the Minister, I think, this afternoon, that there will be an effective opportunity for further discussion and negotiation between the teachers and the trustees in the province of Ontario.

This legislation is coming before the House at a very difficult time when both trustees are unavailable and when teachers' representatives are apparently in Fredericton, New Brunswick, or in Europe. Thus it becomes impossible to bring before the committee as the Minister had hoped to do at this time, members of both the Ontario teachers' federation and the trustees, and I am suggesting Mr. Speaker, that the Minister might give assurance that this bill would be returned to this House either in the fall, if the fall session is to be a reality, or in early January or February—at least before next April when the whole matter will come to a head.

Now, at that time, perhaps there might be an opportunity to create an amendment which would allow appropriate action to be taken, and for a discussion to be in order in this House, and certainly for either an amendment for or against the transfer review board to be placed before this assembly.

It appears to me that as the situation stands at present, this is not an admissible form of amendment to this particular bill.

Mr. H. Peacock (Windsor West): On a point of order—

Hon. Mr. Davis: To the point of order again or not, I just did not—

Mr. Speaker: Perhaps the Minister and the member for Windsor West would allow me now to have a comment, because I have had the opportunity, as the member will have noticed, of discussing the matter with the Clerk of the House who advises me that the precedents indicate that my doubts—when I said a principle which was not in the bill, but perhaps should be—was a proper subject for discussion on second reading, and I am advised by the Clerk, with appropriate authority, that that particular feeling and

ruling of mine was incorrect and, therefore, the discussion is out of order, and the motion which was made by the leader of the Opposition is likewise out of order.

Mr. Nixon: Mr. Speaker, if I may rise, certainly in no way to debate your ruling, which I accept, but to ask for further information—because it would appear that if the second reading of the bill is accomplished this afternoon, and I hope that it would be, we would be presented with the bill for consideration at the committee tomorrow. As the hon. member for Peterborough has pointed out, the discussion will be somewhat impaired by the fact that those who are most concerned may not be able to be there, but if the rules of order are going to be applied as you apply them here, then we must assume that any amendments pertaining to the transfer review board or boards—of course, I would assume, just in passing, that if the House were to accept my amendment and if the bill were to be withdrawn by the Minister, he would bring it in with the transfer review board principle in an operable fashion—that no amendments would be offered at the committee that would be in order. Is that a correct reading of your ruling, sir?

Mr. Speaker: Perhaps the member for Windsor West wishes to speak.

Mr. Peacock: My comment on the point of order is this. The motion of the hon. leader of the Opposition is out of order itself, not in that his remarks preceding the motion were out of order as you have now ruled, but that according to May, on page 526, only two forms of amendments on second reading may be offered and the hon. leader of the Opposition's motion fell under neither of those heads.

Mr. Speaker: The member for Windsor West is quite correct because we had a similar one from the official Opposition some little time ago that I did not recognize because it was not in either of the two headings prescribed by parliamentary procedure, but it was dealt with properly and carried.

Mr. Nixon: Nevertheless it was in order.

Mr. Speaker: Oh, yes, it was in order—the other one was in order because it was quite different from this.

Mr. Nixon: I would like to just say, Mr. Speaker, surely it is not correct to say that this is out of order because of its form.

Mr. Speaker: I am not dealing with the matter of whether it is in or out of order according to its form.

Mr. Nixon: Yes, but that is what he said and you said he was quite correct and I do not agree with you.

Mr. Speaker: I think he is quite correct in that it was not in accordance with the two forms to which the hon. member is referring. Whether it is correct or not, by parliamentary rules it is not necessary to determine because so far as I can ascertain at the moment, and I think that the advice upon which I am resting this ruling is accurate, the matter was not in order at the beginning although it was my endeavour not to cut off discussion of a matter which I know is very important and of great interest to a great many people in our province.

Mr. A. B. R. Lawrence (Carleton East): Mr. Speaker, in the capacity of chairman of the committee on education and university affairs, I wonder if this might not be an appropriate time for me to ask for direction with regard to the question of whether or not a motion of this type would be in order before my committee itself. I know that the intention of the government as expressed by the Minister was accurately set out by the member for Peterborough, that this matter certainly be raised and discussed before the education committee, but I would be pleased, Mr. Speaker, if you could give me some direction as chairman of that committee as to whether this motion of the leader of the Opposition would be in order before my committee.

Mr. Speaker: Perhaps the Minister would wish to speak—not to that particularly, but he was on his feet a moment ago.

Hon. Mr. Davis: Mr. Speaker, it may not be completely satisfactory just to indicate to the members of the House what I was going to indicate to the members of the committee tomorrow morning, that while we have all had representations from the Ontario teachers' federation—from the trustees' council—and from others who have responsibility in the educational structure in this province, these representations do not at this moment coincide.

There is a distinct difference of opinion, and I want to make it very clear, as I am going to tomorrow, that as far as the goverment is concerned we are not saying no to the principle of a transfer review board.

In light of the constructive criticisms by the leader of the Opposition, the member for Peterborough, the member for York South (Mr. MacDonald) during the debate on Bill 44, where there should be a continuing consultative process and—where you should try to bring these people together to resolve these problems, I am in the process of communicating both to the trustees' council and the Ontario teachers' federation that I shall make available from the department itself some officials who over the summer months and the early fall months will see if they cannot themselves reconcile this very important issue.

I share some of the views of the leader of the Opposition and yet I recognize, too, some of the problems that are expressed to me by the trustees' council. I think it would be very helpful indeed, Mr. Speaker, if there was a possibility that this matter be reconciled during the summer and early fall months. We can then deal with it, because from a very practical point of view the transfers themselves do not become operative until the fall of 1969.

Either in the fall, if there happens to be a fall session, or certainly in January or February, we could have an opportunity to consider this before it becomes a practical problem as it faces the boards when they meet their restructuring on January 1, 1969. The transfers would be indicated probably in April and May and they would not take effect until September of 1969, so that this Legislature would have an opportunity to discuss this matter in greater detail if some reconciliation is not brought about.

As I say, I have communicated this to the administrative secretary of the OTF, who at this moment, I believe, is in Fredericton. I have also communicated this to the executive secretary of the Ontario trustees' council and have told them that I anticipate they will be meeting over the next few weeks. I have said that we will make available officials from the department to see if there is any way from a practical standpoint that we can reconcile what is, I think, a problem that deserves the consideration of the members of this House. But in view of the fact that there is time—and I emphasize this—from the practical point of view to do this in a way that we involve all in the consultative process, as the hon. members opposite bring to my attention with great regularity, I would suggest that we adopt this procedure knowing that no one is going to be prejudiced in this intervening period of time.

Mr. Speaker: The member for Peterborough.

Mr. Pitman: Point of order, Mr. Speaker; I would like to speak to this just for one moment. There is one thing that bothers me about this process as the Minister has placed it before the House. I think it is entirely appropriate that we in this House should attempt to have all the facts and should encourage the highest degree of co-operation and consultation which is possible. But I am wondering whether, when this bill is re-introduced and further amendments may come before this Legislature either in the fall or in the early months of 1969, we will be in the same situation as we are this afternoon.

I would be entirely unhappy to have to vote on a motion such as has been placed by the hon. leader of the Opposition in view of the fact that the transfer review board is not spelled out and there seems to be a great deal of confusion as to what exactly would ensue from the passage of this motion.

Is there going to be an opportunity for discussion in some detail and to be able to place before this Legislature a meaningful motion on this whole matter of a transfer review board when the legislation comes before the House either in the fall of 1968 or early 1969?

Hon. Mr. Davis: Just to speak to this one point without prejudging what your ruling may be, as I again read the member for Eglinton's motion, I would undertake now with the agreement of my Prime Minister that if this matter is not resolved and we wish to discuss this further, and if we face any technical problems, we would ask this House to instruct the committee on education to examine and enquire into the matters relating to the possibilities of a teacher transfer review board—or whatever terminology we may wish to use—very early in the session of 1969. In this way, without any technical problems, we can bring this matter to a point where we can constructively discuss it. I just make this suggestion.

Mr. Nixon: Mr. Speaker, if I might speak to this point of order, I think that one of the problems that we may face in the committee tomorrow—unfortunately I will not be able to attend—will be the need for those who want to represent the requirement that this board be enacted at an early date, bearing in mind what the Minister has said, that the bill before us might possibly be amendable with regard to this board which does not appear

in it by name. The chairman of the committee has asked for your advice on this. I am quite concerned about it myself and I hope that you will be able to indicate before we leave the matter just what your view is.

Mr. Speaker: The member for Waterloo North wishes the floor?

Mr. E. R. Good (Waterloo North): Mr. Speaker, is this subject completed? May I speak to the principle of the bill generally?

Mr. Speaker: No, we are still on transfer review board.

I would comment very briefly on the appeal from the chairman of the committee, the member for Carleton East, to say that so far as it would appear to me, the committees of the House are under the rules and constitution of this House and operate under the authority of the Chairman in accordance with those rules. It would certainly not be in order for Mr. Speaker to direct a Chairman how he could deal with matters in his committee.

If, when the committee meets, there are matters which cannot be properly dealt with or ascertained or about which the committee has any doubts, then I think it is quite proper for the committee to report to the House and at that time request assistance or guidance. But at the moment the actual situation has not arisen and judging from the remarks of the Minister it could be that it might not arise.

I would point out, of course, that while the committee may discuss many of these points in accordance with the terms of reference read by the Minister, it is my opinion, and in that I am supported by sound advice, that there could be no actual amendment to the bill in committee; that would have to be done by the House. But the committee at least could discuss it and embody in their report their views if they were different from those expressed by the bill.

Now, I am not sure whether or not that will be of any great assistance to the Chairman, but I am quite sure that he has the knowledge and the capability of dealing with this matter when it comes to the committee tomorrow. If the committee then wishes to refer to Mr. Speaker and the House, I will certainly endeavour to be prepared to deal with the problem then.

Mr. Nixon: Mr. Speaker, before leaving this point—and you can call it a new point of order if you will permit—there are two matters that I think are of application. Probably the best way to deal with this, since it is giving some difficulty under the rules, would be for a new bill to be presented by the Opposition, if it were not forthcoming from the government. But we must remember that we have been in session since February 14, the bill has just now been presented on Monday of this week, and it would make it inordinately difficult to prepare such a bill which would be perhaps better dealt with under the rules which you have suggested.

The second thing, before leaving this point, is that I think, sir, you might make it clear that in this House there are not two *pro forma* ways of amending the second reading of a bill. The hon. member for Windsor West has indicated that the amendment was out of order simply on the basis of its form rather than its content. You were good enough to indicate that just a few weeks ago, another amendment to second reading which did not come under either of those two basic forms, had been accepted by you. And just as the Minister of Education is anxious that we do not embark on a precedent at this time, I hope it can be made clear, sir, that in second reading we do permit in this House amendments of the nature that I have put before you, this one having been ruled out of order because of other reasons.

Mr. Speaker: I will be most pleased to make sure of my views and ruling with respect to that matter. Actually, I would say to the House in any event that it could make little difference, depending on how the House divided, because on the loss of any of these motions, the second reading of the bill is automatically passed. So that the end result is the same. But I would be very pleased if the leader would allow me to check into that and I will bring it up at a later date and clarify the situation with respect to that type of motion.

The member for Waterloo North now wishes to speak to the principle of the bill?

Mr. Good: Mr. Speaker, I would like to speak to a principle of this bill as it affects a certain group of people in the province of Ontario, and I speak of the Amish and Mennonite brethren who are seated in the Speaker's gallery. Their way of life has been such that under the former Schools Administration Act they have been permitted, through proper reasoning and within the scope of the Act, to have their children, who will be further educated in agriculture at their homes, to leave school at the age of 14. Under the

provisions and principles of this amendment to the Act, this would no longer be possible. This I think is a matter that will affect their lives, their way of life, and their conscience, and I would ask that the members of this House, as they consider the principle of this bill, do so with this thought in mind.

These people have been engaged in agriculture all their lives; their children are engaged in agriculture. Under the provisions of this Schools Administration Act as it now stands, they have been permitted by this department not only to establish their own private schools for the education of their children, but to terminate their education where it is necessary for them to work at home and to further their agricultural education at the age of 14. The principle of this bill would destroy that and I would ask that between now and the time this bill goes to committee, the department and the hon. Minister give this serious consideration and thought between now and tomorrow.

Mr. Speaker: The member for Peterborough has the floor.

Mr. Pitman: Mr. Speaker, I would like at this time to place the views of this group in relation to the amendments which have been brought before the House under this Act to amend The Schools Administration Act.

It is very difficult to assess the principle of a bill, which is simply the amending of a number of aspects of existing legislation. I do not think it is a housekeeping amendment because I think there are some very definite issues involved in these amendments which have been brought forward and on which I would like to make at least a comment or two. As already has been indicated, there are areas where amendments might have been appropriate but have not received attention as yet.

I do not intend to continue the dissertation which went on in relation to the point of order, more than simply to say that our group has already indicated its concern about the need for a transfer review board and the regulation that there would be larger units of administration. There may very well be teachers who have bought homes and assumed responsibilities as much as 100 miles away from a school to which they might very well be transferred. At the same time, I am sure, Mr. Speaker, you would recognize that it would be entirely irresponsible and unlikely for a board to make appointments in that way.

What I think teachers are concerned about is that there may be an effort to use the stick of a transfer to a distant school as a means of disciplining a member of the profession or possibly of circumventing a board of reference by attempting to get rid of a recalcitrant faculty member. I think this is entirely inappropriate and I am sure the Minister recognizes the need to deal with this question as quickly as possible. And I am sure over the next few months there will be, I hope, fruitful conversations between both the teachers and the trustees.

If I might turn to perhaps other areas which I think are more relevant to the amendments which have been presented, I do think that the repealing of the provisions allowing students to leave at 14 either for employment or for work on the farm, recognizes, you might say, the new reality that Ontario is no longer a rural community where this is a needed stipulation; also I think it is recognized that education is more important and more relevant to a young person than any employment. In a way, though, I must say that we may very well be placing a redundant amendment before the House at this time, or at least it may be redundant within a few years, because I think that we are reaching the point where our educational system is becoming more free and permissive within, allowing students to take the courses they wish to take, with less concern over streaming, less concern over grades, a greater degree of freedom of selection, all these things. It seems incongruous that we should be hardening up the compulsory education to the age of 16 aspect of this legislation.

We may very well be coming into a society, Mr. Speaker, where young people will leave school at 13 or 14 and then return at 16 or 17. So we may very well recognize that education is not a process which starts at the age of five or below—if certain recommendations of the Hall-Dennis report are considered—to the age of 15 or 20, but is a process which goes on and on and on. We are fast moving towards a society where people will return to the educational system in their adolescent years, their adult years, and I would hope that we will soon reach the point where we recognize that the full support of people who are trying to educate themselves at any age is one which is acceptable to the philosophy of education in this province.

I think the repealing of this provision allowing students to leave at 14 recognizes the new educational opportunities which are

available to every student, at least to the age of 16. There was a time when meaningful education ended for many students at the age of 14. I do not think that is true; I think we have moved, in the last few years, a long distance towards providing special schools and courses for students at the age of 14 who may not be academically oriented or motivated.

One of the aspects of the bill which I found rather exciting—and this has come up in the Legislature before a number of times—is the provision to allow for the joint use of the facilities between muncipalities and the department of education. There is a fantastic expenditure in school buildings and school facilities in all parts of Ontario. We have not yet really recognized the possibilities for the use of these plants, if you want to use the term—in the recreation and education-for-adults education—in many communities in the province. I think that this particular provision will make it much easier. I think that it will encourage school boards to make these kinds of arrangements with municipalities, which will allow for the use of these facilities month after month.

I find, for example, it is really incongruous that for the next two months many schools will be completely unused. Here they are, million-dollar buildings, with two and three gymnasiums. The swimming pools, of course, usually have been integrated into the recreation programmes of most municipalities, but there are rooms where one could study the arts, ballet and music, which are unused all summer long. For example, in my own community, one young man had started a boxing club and there simply was no space in that entire municipality, none whatsoever, where he could carry on the activity which was already begun and where there were young people already taking part and where he was keeping young people off the streets. Yet the facility was simply not available.

I would hope that we will not have the difficulties which the member from Sudbury explained to us in rather harrowing detail some months ago when he discussed the rising cost of use of facilities for political meetings and other meetings, and I would hope that this would encourage the constant use of facilities across this province. I will not belabour the Minister with the obvious needed acceptance of a higher degree of financing on the part of the province in providing the facilities, and for the support of these facilities.

The amendment which relates to the honorarium for trustees is particularly important and it recognizes the greater responsibilities of trustees and I hope that it recognizes the greater status of the trustees in the province. I think that what we have done here today is a recognition of these trustees and that their feelings should also be given a hearing in the halls of this building. I think that one of the problems which I have found in talking to school trustees, and this problem will become greater as these larger units create greater responsibility and more travel and more expense, is that those who should be taking part actually in the planning and development of the school system, are left out because of the very minimal honorarium which was forthcoming in the past.

I have noticed for example that the make-up of school boards tends very much to be that of lawyers, doctors and other professional people, business men, managerial personnel, and often a few clerics, but very rarely do we find enough people who are concerned about education and who have children in the school, who may be daily or hourly rated workers. I think that it is very difficult for an hourly rated worker to take this first step in the public life that is very often at the public school board level. He has to take a considerable loss in his yearly stipend. It is much easier for professional people who can work at odd hours to do so.

Very often, working on the school board demands meetings during the day. It often demands meetings with teachers and people who are really only available during the day, and I think that this is extremely difficult for those who cannot take part in that way. I think that in many cases it has been the children of those who are perhaps labourers, or those who are at the lower levels of our employment system, or those who are hourly rated workers whose children have in the past received less advantage from the school system.

I do not want to get into the next position, once again, of the Porter thesis which refers to the fact that those in the higher incomes receive a greater benefit from the school system for so many reasons, which are largely sociological. I certainly do not want to go over the statistics.

However, I do want to say that I do think a greater representation of people who are from the lower income level of employment and who have children in the schools, can recognize and are sensitive to those factors

in the school system which make the educational experience, and I think it is fair to say this, less effective and less successful for children from these lower class homes, than for those from a more advantageous level.

I notice one other section which I thought was rather interesting, and I am not going to belabour each section, but this was the emphasis given to advisory committees. I was surprised in some ways that the Minister might not have taken this opportunity to enlarge the community participation in the educational system.

I know that he is aware of the fact that the Hall-Dennis report suggested that there should be advisory committees in each school. The idea was that they could be made up of teachers and parents, and I would suggest that there might very well be a place for students on the advisory committees. I think that it is in this bill that this kind of thinking should be reflected.

I see in this bill a considerable recognition of the need and expense involved in providing vocational committees for the mentally retarded, this aspect of the school system in the new bill that was before the House and the advisory educational committees. But I think that there is a great need—and this is particularly true with the larger units because I think that there is this great feeling that in some of the larger units there will be a feeling of disorientation and that people will feel that they do not have any control or feeling for what is going on in the schools—for amendments to come before the House to provide appropriations as there has been in other jurisdictions, to allow the Minister to encourage school boards to set up advisory committees within each school.

It is within that level that the community can play its greatest role in not just raising money to provide equipment and sweaters for the team, but to take a deep look at the curriculum, as it relates to the group of people in the community and the administrative procedures within the school and how they relate to the school philosophy. I think that these are the dealings which we find coming forth in the Hall-Dennis report which, I suspect, will be quoted in the future as often as the McRuer report has been over the past few months. I think that these are areas in which I am sure members will want to see come before this chamber very soon.

There are a number of other matters with which I will deal very briefly—the reimbursement of school children who must be given residence at the elementary school level. I know that the member for Sudbury East (Mr. Martel) had brought this matter before the Minister some weeks ago and the Minister said that he would be dealing with this matter, and I am sure that the members for the north particularly will be pleased to see that particular amendment in the bill.

There is another amendment which has particular significance and this is the greater opportunity to allow school boards to develop the natural science area. I am surprised that the leader of the Opposition did not jump on this one with particular enthusiasm, but I think that this is an important part of the legislation.

We in this chamber have talked about pollution at great length and we have almost polluted the chamber, but I think that, to a large extend, this is a matter of education and that if we are going to do something about pollution, it will not come entirely by a new thrust by The Departments of Health or Energy and Resources Management, but largely from the feeling of concern from the people of Ontario which will result from an education in priorities and the need for this as a major priority. Of course, these natural science centres will provide an opportunity for young people to go outside of the classroom and this surely again is an emphasis of the Hall-Dennis report.

I am particularly pleased to see the amendment of section 82, which deals with the supervisory offices. Now, the Minister and the members who were part of the educational committee listened with some concern to representations before the committee from those who were quite worried that we would set up within our school board administration, some two-headed monsters in which there would be a division of authority in which you might very well have a continuing consultation of either the business administrator, or whatever we wish to call him, and the educational officer or the chief educational officer on the one side.

Now I see reflected in section 82 the Minister's interest in seeing that there be a single line of command, at the same time recognizing that the secretary and treasurer, those who are concerned with the business aspects of the operation of the board—school system, will have an opportunity to place their views before a board.

But there simply must be one person who is essentially responsible for the educational

system in each jurisdiction and this should be the chief educational officer and I see in section 82, a recognition of this aspect.

May I conclude by saying, Mr. Speaker, that there is a need to keep this legislation on the move. It is a piece of legislation that will continue to come before this House each year. We face a period of massive change and I think we must be concerned that we not allow inflexible modes of school administration to hold us back from these kind of changes. We face a period of widening community responsibility. Once again, we must not hold back on this increasing democratization of decision making in the area of education by a bill which has not been amended quickly enough.

We must keep our administrative procedures in line with our philosophy and with our aims and objectives in the educational field. We cannot divorce administration of education from education and from the aim and objectives of that philosophy of education.

Mr. J. R. Breithaupt (Kitchener): Mr. Speaker, I would rise to add a few brief comments to those made by the member for Waterloo North, my colleague in our part of Waterloo county. This is, of course, with respect to the proposal within this Act to repeal the provisions that allow certain pupils to leave school after attaining the age of 14.

I would call to the attention of the members of this House that the first portion in the interior of this province to be settled was that of the Waterloo county area. This was settled around the year 1800 by the ancestors of people who have worked hard in some of the best agricultural land in our province. Their approach to education has been one of wishing their children to have a basic education, one which will fit them into the carrying on of their rural livelihood. They live in exceptionally fine farms in areas that have been well maintained for almost 175 years.

I would ask that the members of the House reconsider their approach to the passage of this section which would repeal the right that these people have. I would suggest that they are probably the greatest number of people taking advantage of this provision, and that the members of this House should realize that a repeal of this provision, which is permissive and is used only by a small number of persons within the province, is one which would strike, as my colleague said, at the roots of this approach to life which these people have.

As members of the Mennonite faith, as persons who dress in a different fashion than many of us do and who prefer a plain way of life, they have over the past many years built their kind of rural communities, worshipped in their plain manner and have asked for very little from either the provincial or federal governments. They take care of their own. They live with a strong sense of community and with a strong interest in the benefit of their portion of Ontario.

I feel that, as no doubt there are other members involved in the areas of Perth and Oxford, into which Mennonite communities have developed, they too will take an interest in encouraging the House to allow this permissive section to remain in the Act. I think we can say that the persons who wish to take advantage of it will do so only for very strong personal reasons, reasons which in this case have a certain religious connotation to them. I feel that we should honour these reasons and that for those who wish to take advantage of them, we should be prepared to continue this permissive portion of the Act.

Mr. Speaker: Is there any other member wishing to speak to this bill before the Minister concludes the debate? The Minister has the floor.

Hon. Mr. Davis: Mr. Speaker, there is very little need to reply to much of what has been said. I imagine we will be discussing most of this tomorrow. In fact, after listening to the member for Peterborough I somehow feel it is a much better bill than even I thought it was when I introduced it here. I was really quite encouraged by his response.

I would only refer to the one section that has been mentioned by the members for Waterloo and for Kitchener. I recognize their interest as members in their constituents. I should point out, Mr. Speaker, to the members of the House, really it was at the invitation of the Minister of Education that our friends are with us here in the gallery today. I asked them to come in—

Mr. Nixon: Suggested by the member for Waterloo North.

Hon. Mr. Davis: Not quite. No, this was a commitment which was given and they are here and they are going to appear before the education committee tomorrow morning. I recognize the problem and I certainly share the views expressed by the member for Kitchener as to the contribution these people have made to our communities. But, Mr.

Speaker, one must also recognize that the utilization or the use of this particular section has not been confined to Mennonite communities.

We are in a position where we are doing everything we can to encourage young people to stay within the school system for longer periods of time, and if the hon. member for Kitchener had been here some four years ago and listened to the then leader of the Liberal Party, the compulsory attendance age would have been 18, not 16, because this was the platform of the then leader of the Liberal Party and he emphasized this very enthusiastically one day in this House. I recall it very vividly because I asked him, "How do you force a student who has left high school, finished at the age of 18, to attend a post-secondary institution?"

Mr. Nixon: Mr. Speaker, on a point of order—

Hon. Mr. Davis: Well I just—all right I will not—I am just pointing out—

Mr. Nixon: Point of order.

Mr. Speaker: The leader of the Opposition has a point of order.

Mr. Nixon: His name has been mentioned but he is not here to speak for himself. I well recall that occasion and certainly I am sure that the Minister of Education agreed with the principle of the gentleman's remarks at that time, that we ought to offer continuing education to a more advanced degree than we were at that time. The Minister has really followed along on the suggestions that were made by the former leader.

Hon. Mr. Davis: I will take any worthwhile suggestion emanating from across the House, but I do recall very specifically, Mr. Speaker, there was reference to the compulsory attendance age raised to, I believe, certainly 17; I believe it was 18. However, that is not the point here on this occasion.

I just pointed out that it is not all that simple and it is not confined just to one group within this province. This is not factually the case, but I think that tomorrow morning at the education committee these gentlemen will have an opportunity to express their views to the committee, point out the problems, and they can be considered at that time.

I think, Mr. Speaker, that is all I have to usefully add to discussion of the bill until we carry on with it tomorrow morning.

Motion agreed to; second reading of the bill.

Clerk of the House: The 14th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OR FINANCIAL AND COMMERCIAL AFFAIRS

(Continued)

On vote 703:

Mr. F. Young (Yorkview): Mr. Chairman, I have in my hand a form which was brought to me by a friend of mine who was applying for a fidelity bond. The form is that of the United States Fidelity and Guaranty Company, Baltimore, Maryland. In that form, my friend was very disturbed because of the questions in that form and the kind of things that he had to answer in order to get the bond. It does go through the usual intimate things that are asked in the general forms, but the thing to which he objected particularly were the final sentences. It says this:

> I also agree that in the event said company should cancel such bond, it shall be under no obligation to disclose its reasons therefor, the provisions of any law to the contrary being hereby expressly waived by me.

In other words what is being said there is that this form takes precedence over the law of, I suppose, the province of Ontario or the Dominion of Canada. Also it goes on to say this:

> Anyone is hereby authorized to furnish the United States Fidelity and Guaranty Company any information concerning my character, habits, ability, and financial responsibility, and particularly the cause of the termination of my employment at any time, and I hereby release them from any liability for damages on account of furnishing such information.

My friend points out to me that the company concerned might ask a person who does not like him about these things and that person might give false information, might damage his character, and might blemish his reputation and make it very difficult for him in the future to get a job. Because of the signature of the applicant on this form, he has given away any liability or any chance whatsoever of recourse against the person who has damaged him.

He said this to me: "I cannot get this bond from this company unless I sign these statements, and if I do not sign then I do not get the job that I am applying for". It was a job for which he was well qualified and which he wanted. I would like to call this to the attention of the Minister and ask him the status of a form of this kind, whether or not these provisions which are in the form can be enforced and whether the applicant is bound by them in the province of Ontario. I could send the form across to the Minister if he wished.

I would like it returned, it is the only copy I have. I will make a photostat and make it available to the Minister later.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Chairman, I have not looked at one of these forms but a fidelity bond is a contract between the underwriter, the insurer, and the applicant which is a negotiable contract between the two parties, and there is no law that I know of which forces anyone to sell or to issue a fidelity bond to everybody or anyone who might make application for it. There are a number of factors which go into this situation.

I would say that I do not think your statement is quite accurate when you say that the form and the questions involved overrule the laws of Ontario and of Canada. I think the law prevails in spite of the agreement which is entered into in the contract. I would be glad to look into this and to see the extent of the use of this type of form, and if you would like to send me the name of the person involved, we will deal with it as quickly as possible, having in mind your own statement that you thought he was highly qualified for the job and he was anxious to have it.

Mr. Young: Mr. Chairman, from what the Minister says I would gather that an applicant who signs this form can ignore those sentences which say that he is giving up his rights for the protection—

Hon. Mr. Rowntree: I did not say that at all. You know that I did not say that.

Mr. Young: Well then, the thing remains that if he signs this, he is waiving his rights even though the law says he has the rights.

Hon. Mr. Rowntree: You can waive your rights.

Mr. Chairman: The member for High Park.

Mr. M. Shulman (High Park): Mr. Chairman, we have discussed the world of auto insurance at some length and I would like to go into a different aspect of insurance, particularly the role of the superintendent of insurance. It was my belief, perhaps naively, up until fairly recently that the role of the superintendent of insurance was to protect the policy holder and to act, if necessary, on his behalf if he was unfairly treated by an insurance company.

Unfortunately, certain incidents have occurred which have made me question that belief and I would like to draw this to the attention of the House and, through you, sir, to the Minister, because I think it is essential that when we have perhaps two contesting parties, one of whom is a policy holder with very small resources, and the other is an insurance company with millions and perhaps billions of dollars of resources, that the policy holder has some level of government to which he can go as an advocate or an equalizer, or a place where he can get justice. Now I always believed this was the superintendent of insurance; perhaps it is not.

In addition, coincidentally with this subject I wish to discuss the subject of health insurance in this province and certain problems that have nothing to do with medicare. I wish to discuss the problems of health insurance as sold by private plans and certain abuses which have developed with that, which the superintendent of insurance has not seen fit to interfere with.

In order to do that I have a number of examples here, but I am going to give you only two examples because they spell out the problems so very well and so very typically. These two examples show how residents of this city purchased health insurance, thinking thus to protect themselves against loss of income due to illness and found that the insurance worked perfectly well so long as they remained healthy.

The cases involve different companies, but in both of these cases and in others, the superintendent of insurance was apprised of the facts and you may find some surprise in his reaction to those facts.

The first case is that of Czeslaw Kaczynsky. He lives at 1528 King Street West in Toronto, and on July 18, 1965, he was visited by a salesman from the Allstate Insurance Company who sold him Allstate income policy No. 81702625. On the cover of this policy it reads: "You are in good hands with Allstate". On the back it reads, "Our pledge to help you continue to be a good provider to your loved ones when accident or sickness strikes".

Inside the policy are the words, "Allstate will pay you the monthly sickness income

benefit—$300—for each month of your total disability which results from sickness and commences while this coverage is in force". The premium was $96 a year.

Attached to the policy, but not a part of it, unfortunately, and so having no legal effect, is a letter signed by one Judson B. Branch, chairman of the board of Allstate, and reading:

"Dear friend of Allstate"—and I am leaving a bit out here—"with this protection, you have security in knowing it is guaranteed renewable to age 65. Only you can cancel regardless of any change in your health".

Let me stress, Mr. Chairman, that is a letter attached to the policy, it is not in the policy, it does not have a personal signature on it, it has a printed signature on it, therefore the Allstate company was subsequently able to say, "Well, that letter is not a part of the policy."

But to my mind, if the company has issued a letter like that, and I have the original here, Mr. Chairman, with a policy they should—if not a legal obligation, we seem to talk a lot about moral obligations here—but they should have a moral obligation to live up to that guarantee.

Well, Kaczinsky, perhaps naively, believed everything he read in this policy, including the letter attached. A few months after taking out the insurance he developed a nose infection which led to surgery. He was in hospital and he was off work for several weeks and the insurance company paid up—he collected $480. Apparently, the system is, with these policies, that you are allowed one illness. He then remained well for a year when he began to devolop stomach pains. On a visit to Europe he became much worse; he visited a doctor and was told that he had a stomach ulcer. Now, on October 14, 1966, that is somewhat over a year after he took out the policy, he notified Allstate of his illness and submitted a claim.

On February 27 and this is October 14, because the dates are important—the policy was taken in July 1965—he submitted the claim, and on February 27, 1967, he received a letter from Allstate. I have the original here and it is a classic of its type and I would like to read it. Insurance letters are classics and I am considering publishing this letter.

Mr. R. Haggerty (Welland South): You should write a book.

Mr. Shulman: That is a very good idea, and I will give you a royalty for that suggestion. The letter reads as follows, and I quote: February 27, 1967, on the letterhead of Allstate Insurance Company, 790 Bay Street, Toronto 2.

Dear Mr. Kaczinsky,

Your Allstate income policy was issued July 18, 1965, in reliance upon information provided by written application. A copy of this application is attached to your policy. Medical information in our possession shows that on October 30, 1963, you consulted Dr. Starkman. Question 7(a) on the application asks specifically: "to your best knowledge and belief have you consulted a doctor for any reason in the last five years?" In answer to the question you made no mention of this consultation, nor is there any reference to the condition for which medical treatment was sought elsewhere in the application.

Had accurate and complete information been made known on the application for insurance, our underwriters could not have issued the policy. For this and whatever reasons may exist, whether expressly stated or not, we are denying liability. We therefore elect to void the policy from its inception date. Since July 1965, you have paid premiums in the amount of $189.60. However, we have paid a claim amounting to $480.00. You, therefore, owe us the difference which is $290.40. We would appreciate it, therefore, if you would forward us your cheque for this amount along with your policy in the enclosed prepaid envelope.

Yours sincerely,
N. Brown,
Allstate Insurance Company.

Copy to Mr. Bob Parks, 790 Bay Street.

An hon. member: They spent the four cents!

Mr. Shulman: You are in good hands with Allstate! Here is a man who gets ill, and I am going to dissect this letter a little further as to the reasons why they cancelled, but let us for the moment accept everything in the letter as true, and, by heaven, it is not—but let us for the moment accept everything as true, and see what they have done.

They have carried a man along for close to two years; then he got ill and developed ulcers and was forced to go to hospital. They then say: We are predating our cancellation

back to the time of the take-out of the policy. Here is an ill man, who puts in a claim and gets a letter back saying, "You owe us $290.40 because you got ill one year ago, and we paid your claim, and we have decided to cancel your policy from before the time that you had this first illness."

Well, Mr. Kaczynsky was a little upset, as you might think. He contacted the insurance company and was not able to get anywhere, and I understand that he wrote the superintendent of the insurance but we will come to that later. Finally, he came to see me and brought his original policy with him. Now, I want to look into the ground on which they looked into his policy. I must stress here that they predated the cancellation, and this is against the provisions of The Insurance Act.

I will detail that later, but they may not predate a cancellation. There is nothing in The Insurance Act which allows them to do this. They are breaking the law to start with even if everything else in the letter was true which it is not.

I have Mr. Kaczinsky's original application here. Question 7(a) which they refer to says, and I quote: "Have you consulted a doctor for any reason in the last five years?" Mr. Kaczinsky answered yes. It goes on to say, and the insurance agent filled it out with information from Mr. Kaczinsky that the ailment was a sore back, and that Mr. Kaczinsky was confined to hospital for two weeks and was treated by a Dr. Szymansky.

There was a complete and accurate disclosure. I said, "What about this Dr. Starkman that they refer to in their letter? It says here that in October 1963, that you consulted Dr. Starkman," and Mr. Kaczinsky said that he did not understand it. Well, we looked into it and it turned out that he had seen Dr. Starkman. His doctor in the hospital, Dr. Szymansky, wanted another opinion about this back ailment and called in Dr. Starkman, a specialist, to give another opinion about the sore back that was disclosed on the application. This was the flimsy technicality that Allstate used to cancel his policy.

The statement in Allstate's letter that there is not, and I quote, "any reference to the condition for which medical treatment was sought elsewhere in the application" is just not true. It is spelled out. He was examined and was in hospital for a sore back and Allstate just literally lied in this letter. Ultimately they admitted that and we will come to that. Well, I thought that perhaps Kaczinsky was wrong, and that his doctor was wrong. So I contacted Dr. Starkman. I thought that perhaps Allstate had investigated and Starkman had seen this man for some other reason.

Well, I happen to know Dr. Starkman, so I phoned him up and asked what did he see Kaczinsky for. He said that he saw him for a sore back. His family doctor had him in hospital and asked for a consultation, so he saw him for that reason. There was full and accurate disclosure in the application. Well, Mr. Kaczinsky wrote to Allstate and I have a copy of his letter here. On March 29 he wrote:

Dear sirs:

In reply to your letter of February 27, I inform you that to the question No. 7(a) on the application form which asks specifically and I quote: "To your best knowledge and belief have you consulted a doctor for any reason in the last five years," I gave the answer yes. I informed my agent, Mr. Jim Carter, on July 18, 1965, about my illness and gave him the names of doctors that attended me during that illness.

Mr. Carter wrote down the name of Dr. Szymansky only because that doctor was the first of the named doctors whom I used. He thought probably that in case of necessity, Dr. Szymansky can give additional information concerning my illness and also the names of the remaining doctors. I also indicated my place of work and how the employees there are insured through the group insurance plan. I hope that you will reconsider your decision and will not harm me by invalidating my policy.

Yours sincerely,

I was appalled by the circumstances in this case, because this is worse than most of the insurance cases that I get. I laid the facts before the superintendent of insurance, and because of the seriousness of this case, I am going to read the entire correspondence so you can see the role of the superintendent of insurance in this particular, unfair, improper case.

I wrote to the superintendent of insurance on October 14, 1967, as I had been campaigning at that time in preparation for the forthcoming election and as I had come to Kaczinsky's door and he told me about his problems. I wrote at that time because this is when I first became aware of it. It is addressed to Mr. J. Silver, Office of the

Superintendent of Insurance, 123 Edward Street, Toronto, Ontario:

Dear Mr. Silver:

In 1965, this man, a Mr. C. Kaczinsky purchased an Allstate insurance policy. He received a letter at that time saying, "It is guaranteed renewable to age 65, and only you can cancel regardless of any change in your health." In reply to question 7(a) on his application, he had truthfully said that he had consulted a doctor in 1963 and has been treated in hospital for a back ailment and gave the name of his family doctor at that time.

On February 27, 1967, after Mr. Kaczinsky developed a stomach ulcer on a trip to Poland, the Allstate company cancelled his "non cancellable policy" on the grounds that he had not mentioned that his family doctor had called in a consultant at the time of his back ailment. They further demanded return of the payment made to him on a unrelated claim.

I have made three separate requests to Allstate for information about this case with no reply. I am further informed that there are a number of other similar cases and complaints and I would request an investigation of this firm and consideration given to cancellation of their licence.

Yours truly, Morton Shulman.

Well, I may say my requests to Allstate had been verbal ones and each time they said they would phone me back but they had not up to that point.

On October 27, 1967, I received a letter from Mr. M. B. Dawson, of the superintendent of insurance. It reads as follows:

Dear Dr. Shulman:

I have now heard from the insurance company regarding the cancellation of Mr. Kaczinsky's policy. The company states that the policy was cancelled on the basis of a non-disclosure of a pre-existing condition, even though this policy was issued on a guaranteed renewable basis, the company states that in their policy there is a two-year limit placed on termination, due to mis-statements or non-disclosures. Mr. Kaczinsky's policy was actually cancelled after 19 months. The company regrets the delay in answering your telephone calls, but the file had to be drawn from the storage warehouse.

Apparently your press release and letter of October 14 were written before they had an opportunity to discuss the matter with you. Yours very truly, M. B. Dawson.

I wrote again to Mr. Silver the following day at the superintendent of insurance.

Dear Mr. Silver: Re: Allstate Insurance.

I have received a reply to my letter of October 14 from your Mr. M. B. Dawson. Unfortunately, the information which he has sent me is absolutely false, inasmuch as the pre-existing condition was a back problem which was disclosed in the application. In the light of this further incident, I once again request an investigation of Allstate and consideration given to cancellation of their licence. (Signed, Morton Shulman.)

Well, a couple of weeks went by and this time I got a letter from Mr. Sexton, the deputy superintendent of insurance. This is dated November 9, 1967, and reads as follows:

Dear Dr. Shulman:

I wish to acknowledge yours of October 28 addressed to Mr. Silver. I have been unable to find anything false in the information disclosed in Mr. Dawson's letter of October 27. He states that the policy was cancelled on the basis of non-disclosure of pre-existing conditions. As far as I can determine the pre-existing condition does not relate to a back problem. It is based on other medical information which I am not at liberty to disclose because information given to me is privileged under the Act. As you know it is not necessary for either party to disclose grounds of cancellation under the existing statutory condition of the policy. Mr. Kaczinsky could obtain the information from the company though, if he contacted them.

While we are most concerned about the conduct of any insurer, I think you will agree that unless there was evidence of continuing incompetency or unethical practice, cancellation of Allstate's licence would be unjustified.

The fact that the policy was voided from the inception date has been discussed with the insurance company. It is their position that their action was justified in view of the time limit clause in the policy. However, they have now agreed to forego their request for payment of $290.40 as set out in their cancellation letter of February 27, 1967.

Yours very truly, S. J. Sexton.

If their personal view was that, they still cancelled the policy form the beginning, they should have been prepared to give the premium back, but they did decide that he did not have to pay them money. On November 13, 1967, I wrote to Mr. Sexton again:

> Dear Mr. Sexton: Re: Allstate Insurance.
>
> Thank you for your letter of November 9. I wish to draw to your attention a letter of February 27 from the Allstate Company to Mr. Kaczinsky in which they state flatly that the policy is being cancelled because of consultation on October 30, 1963, with Dr. Starkman. I have interviewed Dr Starkman, and he has informed me that Mr. Kaczinsky was referred to him because of a low back pain.
>
> In the light of this information I would appreciate your reappraisal of this case.

And let me stress again, Mr. Chairman, I have that original letter right here, and it states very flatly why this policy is being cancelled. Let me just quote them exactly—"This policy is being cancelled because of a consultation with Dr. Starkman."

On December 15, 1967, a little over a month later, I received another letter from Mr. Sexton. This letter I am sure the Minister will find very interesting.

> Dear Dr. Shulman: Re The Allstate Insurance Company.
>
> I have again reviewed this complaint with Allstate Insurance Company. They confirm that their decision to cancel a contract was not based on Mr. Kaczinsky's back problem which as you point out was disclosed. Apparently their concern arose out of later disclosures which indicated medical conditions and factors which predated the application. Perhaps the company's letter of February 27 was somewhat misleading in that it does make reference to the consultation with Dr. Starkman, but it does not finally void the contract on that basis.
>
> You might like to discuss the subject further with Mr. Ron Walker, who is a senior officer with the Allstate Insurance Company and familiar with the problem. He has advised us that he will be pleased to explain their position to you.
>
> Yours truly, S J. Sexton.

Let me say this was the end of the correspondence with the superintendent of insurance. His final word to me as far as my request for a hearing on the Allstate situation in general and this particular was, I think: "Go to Allstate and they will explain it all to you."

It does appear strange that the superintendent of insurance will admit that an insurance company has sent out a misleading letter in cancelling a policy and yet still refuses to take any action. But I went to see Mr. Walker. I thought if he is the man who is in charge, this is the man I should see. I always thought the superintendent was. I had a most illuminating interview. He explained that their letter of February 27, 1967 was all a mistake. Mr. Kaczinsky's cancellation had nothing to do with Dr. Starkman at all. But it occurred because of two other reasons. I am sure the Minister will find these reasons interesting.

First, he said, Kaczinsky had not disclosed the fact that the company where he worked, de Havilland, had an Aetna group policy on all its employees. Well, let us look back at the original application which I have and which, incidentally, was filled out by the insurance agent. It was signed by Kaczinsky, and question 6 asks, "Have you any group, individual or family hospital and surgical medical expense or disability income plan in force?" and the answer below it is "Yes".

Further down, Ontario hospital and PSI is mentioned and when Kaczinsky was asked by the agent he answered "yes" truthfully, that de Havilland had a group plan, whose name he did not know. There was no reason for Kaczinsky to know the name Aetna and he showed the agent his PSI and his Ontario hospital card, and Allstate was really reaching pretty far to use that story.

I felt, what in the world difference does it make whether or not he had a group policy at work anyway. I cannot imagine anything more irrelevant.

The second new reason for cancellation is even more implausible. If it were not sad, it would be amusing. On an unsigned claim form which Mr. Walker of Allstate told me he had received in the mail there appears a question—This is presumably from Kaczinsky and I see no reason to doubt it, although it is not signed by anyone. The question is: "When were symptoms first noted?" and the answer is July 8, 1966. Well, that is all right because the policy was taken in July, 1965, so a year later I presume you are allowed to have symptoms.

Then there follows the question, "Has disease caused previous trouble?" And the answer printed below it is "Lilibet". I wondered what in the world that meant, and Mr. Walker translated this for me as meaning a little bit.

I asked Mr. Kaczinski what that meant and he said it meant he had occasional gas. Then on the form, this unsigned form, appears the question—and this is following the question, "Has disease caused previous trouble?"—"If so, when?" And the answer, on which Allstate based its cancellation, is "one to two years". This had been in force now a year and a half and he says he had had "Lilibet", call it a little bit or occasional gas from one or two years before.

Gentlemen, if the presence of gas is reason for cancellation of a health insurance policy, there will not be a Conservative member in this House eligible for such a policy.

I have found in my brief membership in this House that the government enforces some laws some of the time. So here is one more example. I wish to quote from The Insurance Act, section 232, subsection 6:

> The insurer may terminate this contract any time by giving written notice of termination to the insured and by refunding concurrently with the giving of notice, the amount of premium paid in excess of the pro rata of premium for the expired time."

That is the law. Quite clearly, Allstate did not carry out this provision of The Insurance Act. In fact, quite unlawfully they attempted to backdate their cancellation by 19 months. What is most shocking is that the superintendent of insurance was aware of and condoned this heartless act.

Now it is obvious that until we have a superintendent of insurance who enforces The Insurance Act and protects the public these crooked practices will continue, and they are crooked. Surely it is the function of the superintendent of insurance and that of the Minister to protect the public and not to protect a dishonest insurance company.

I am going to give you another case, Mr. Chairman, and in this case I think the insurance company behaved legally. I am going to show you how the insurance company behaved legally but so blatantly immorally in order to prevent paying a legitimate claim.

The second case I wish to discuss today involves a resident of Scarborough, Mr. G. Drescher, 22 Almar Avenue, and the British Pacific Insurance Company. And let me say, if you are going to buy health insurance, or for that matter any kind of insurance, the first place not to buy it is Allstate and the second place not to buy it is British Pacific. They run very neck and neck.

On April 23, 1961, Mr. Drescher took out a policy with British Pacific to protect himself and his family against financial loss; I am quoting the policy now:

> From accidental bodily injuries sustained while driving or riding within an automobile.

Let me tell you, Mr. Chairman, this is a fairly cheap type of insurance because there are very few people statistically in our population who actually suffer accidentally bodily injury sustained while driving or riding within an automobile.

This is the type of insurance that should not really be allowed because it is sold on the basis of the fact that it is cheaper than other health insurances and agents come by and say, "Look, you only have to pay a tiny fraction of the premium to cover everything and this will cover really the important accident." But most people, unfortunately, when they get ill or they have an accident, those 99 per cent of the people do not have it as a result of a car accident. This type of insurance covers so very few things. One would think that the odd person who does buy this policy and who does happen to have an accident in a car and as a result is injured, would get paid—fat chance.

The policy said that if Mr. Drescher was injured or any member of his family while driving or riding within an automobile he would receive $200 per month until he was able to return to work. Well, the policy was great for five years. No complaints whatsoever, the insurance company certainly carried out their part of the deal. They collected the premiums every month. There were no claims and no one had any complaints.

But unfortunately, after holding the policy for five years and paying the premiums for five years, Mr. Drescher had the misfortune of being involved in a car accident.

On June 11, 1966, while stopped at a red light, he was struck from the rear and he suffered a whiplash injury so severe that he has not worked since. He has had to undergo an operation and he has been in constant pain.

The British Pacific Insurance Company refused to pay the claim because Mr. Drescher went out of his house to see his doctor. I will read their letter of refusal. I have it here.

Dated December 13, 1966

Dear Mrs. Drescher:

Re policy number 827160560.

We thank you for your letter of December 3, 1966. We were sorry to learn that Mr. Drescher had to undergo an operation.

> Unfortunately, we are unable to make any payment under this particular contract and we would refer you to part three of your policy which states as follows: "If such injury as described in the honouring clause and hereinafter accepted shall immediately after accident wholly and continuously disable and prevent a member of the family from performing each and every duty pertaining to any business or occupation, or if such member of the family is not employed and such injury shall prevent his attendance at school or his engagement in any outdoor capacity, [the next sentence is underlined] and in either case is necessarily confined within doors, the company will pay for any one accident in indemnity of one day or more at the rate of $200 per month with payments to continue so long as such disability and confinement continues."

Then the classic line, I am still quoting from the letter:

> Your husband was not, of course, totally disabled and necessarily confined within doors immediately after the accident.
>
> We are very sorry but we must abide by the terms laid down by the contract.
>
> We trust that Mr. Drescher will soon be back on his feet again.
>
> Yours very truly,
>
> British Pacific Life Insurance Company.

Well, Mr. Drescher had made two errors. First of all, the accident being in a car, unfortunately he was not immediately within his home and it says right within the policy, I will read it again:

> You must be confined within your home, totally disabled, necessarily confined indoors immediately after the accident.

Also, he went outside of his house to vist his doctor to receive treatment. This policy, I understand, will cover you provided your car is inside the house at the time of the accident and you are not taken out for any medical attention. It seems almost unbelievable that a man completely disabled from work, should lose his insurance due to going out for necessary medical services.

As a result of his inability to collect from his insurance, Mr. Drescher ultimately had to apply for public welfare. He has not worked a day since; he has not been able to. He has been in and out of hospital. He has had operations. He is still disabled today and because British Pacific have legally weaseled out of their responsibility, a man who thought he had provided for this type of eventuality, this type of disaster, is desperate and has been forced to the wall.

Surely, it is not in the public interest to allow insurance companies to get away with this type of unscrupulous chicanery. Now I have other cases here but they are really repetitious and they spell out the same type of problem. So I am going to stop at this moment, Mr. Chairman, I am going to invite comment from the Minister, on two things:

(a) First of all, in these specific injustices, will he for goodness sake interfere and see that something is done for these people?

(b) Will he properly instruct the superintendent of insurance as to what his duties are and for goodness sake, if the present legislation is not sufficient to control these rapacious, that is the only word to use, these rapacious insurance companies, bring in legislation that will make them act like decent citizens of this province.

Hon. Mr. Rowntree: Mr. Chairman, I address myself to the question of the office of the superintendent of insurance. The office involves a responsible individual and an important operation of the department, and with reference to some observations which the hon. member made a little earlier I would have to say, and must say at once, that at no time does the superintendent have a position with respect to one side of the contract as against the other. He should have a position in that office as, if I could use the phrase, an honest broker with respect to complaints which come in.

Now there are such things as complaints which, on our own investigation, are not valid. That is quite possible. There are also complaints against underwriters which probably are valid.

Now in this area, it has been my observation that the superintendent and his office have been able to perform a useful service to the public and I am sorry and I regret that the incidents you have cited have existed.

Now with respect to these three cases which you cite, I would like to have a look at the policies myself. I will do that. I will discuss them with the superintendent personally and we will go from there. Some of the evidence that has been alleged here today would have the appearance of being pretty unsatisfactory, and I do not mean against the hon. member, I mean that in the situation; it could be unsatisfactory.

Mr. D. C. MacDonald (York South): Mr. Chairman, I would like to pursue this just briefly because two or three years ago I raised a specific case which was very neat and tidy. It was the case of a lad who sought the reason why his policy had been cancelled and he could not get it. He ultimately appealed to the superintendent of insurance and got nowhere and then he appealed to me, so I interceded with the superintendent of insurance, who took some action. He contacted the company and the company told him why it had been cancelled and he, within the limits of the law, quite correctly called me back and said, "I cannot tell you why because the law does not permit me to say so, they don't have to give reasons, but I will tell you this, that I think they were justified."

Then two weeks later, because of the general investigation—by far too many people to suit the insurance company—they wrote to the man and said they had reconsidered, they would not cancel the insurance policy and they invited him to renew. Well, he told them where to go, he was not going to renew with them if there were no other insurance company. That experience raised a question which I have asked in this House before; what is the function of the superintendent of insurance? To protect the insurance company against the public, or the public against the insurance company?

Hon. Mr. Rowntree: I said his position is to be an honest broker.

Mr. MacDonald: Well, just a minute. The Minister says it is to be an honest broker, I want to delve into the role a bit more in the context of the question I put to the Minister. What is the function of the superintendent of insurance? The Minister says it is just an honest broker. But in the process of exercising his role as an honest broker, is he protecting the insurance company against the subscriber, the premium holder, or is he protecting the premium holder against the insurance company? Now, the Kaczinsky case is a classic in this category. As the hon. member for High Park has indicated, that company acted illegally; they violated the law. Now what is the role of the honest broker when he is given factual evidence of a company violating the law? Does he just say—that is their business?

Hon. Mr. Rowntree: Well, I have said that I will look at these three cases—I have taken the particulars, I will look at them, I want to look at the application myself, I want to look at the policy and the terms, and I will give it my personal attention.

Mr. MacDonald: I appreciate the Minister looking at it but I hope he will forgive me for not being immediately satisfied. We have raised this kind of thing year after year after year and nothing has happened.

Hon. Mr. Rowntree: I do not think it has been raised to me.

Mr. MacDonald: I have raised it with other Ministers and many of us have raised the question as to what is the role of the superintendent. And the Minister took refuge in saying that it is an honest broker, but when the honest broker discovers that there is illegal or immoral action on the part of a company, what then is the role of the superintendent of insurance or the Minister? And I want to suggest to you—

Hon. Mr. Rowntree: I will tell the member before he goes on, the role is to see if it is a dishonest and illegal conduct, to see that it is done.

Mr. MacDonald: What does the Minister mean, see that it is done?

Hon. Mr. Rowntree: Just what I said.

Mr. MacDonald: Does the Minister mean seeing it is stopped in terms of saying to the company—"Thou shalt not do this any more?"

Hon. Mr. Rowntree: That it is unacceptable.

Mr. MacDonald: Mr. Chairman, again, forgive me, but this is unsatisfactory, because this is going on, day in and day out. There is not a member in this House who will not tell you that Allstate has a reputation which has been documented here, everybody knows it. Everybody knows they are playing this sort of game all the time.

Now, what in effect the Minister is saying is, in the rare occasions when somebody happens to go to a man who acts in the role of an ombudsman like the hon. member for High Park even though he gets hooted and hollered down by Tories on the other side—

Hon. Mr. Rowntree: Oh, keep this thing in a reasonable—

Mr. MacDonald: Just a minute, a man has the persistence to drive it through and has the persistence to write five letters to the superintendent of insurances' office, instead of getting sloughed off with the superintendent's

office, accepting the explanations which, upon exploration did not just hold up—but nothing happens. I repeat, what is the function of the superintendent of insurance—to protect the insurance company? Up until now, that is the history.

The superintendent of insurance is there to protect the insurance companies. He is not playing the role, as I suggest to the Minister he should be playing, of a consumer protection bureau on the insurance side. He should be protecting the consumer. And I would say to the Minister that he should be so tough, that if there is one and, at most a second or a third case of this kind of conduct —and I am as certain as I am standing here that there are hundreds of such cases in the instance of Allstate, hundreds of such cases, not one or two, thousands indeed, and I am not exaggerating because anywhere you go in the insurance industry you will get this kind of a story—there is only one way to cope with it.

If you want to deal with a person who is acting illegally in exploiting the consumer, or is acting immorally in exploiting the consumer, you do not rap them slightly over the knuckles and say, "Don't do that again", you cancel their licence. Otherwise, they are going to be doing it tomorrow, and their record indicates this is the way they operate.

Now, I am being rather vigorous about this because I think the hon. member for High Park has done a very important service. Many of us in this House, in the Liberal and Conservative parties and the New Democratic Party, in my experience of 15 years, have been bringing up cases like this, and I say to the Minister, as I sit down, it is the function of the superintendent of insurance to pursue these issues, not as an honest broker who gives up when he gets sloughed off with an easy answer from an insurance company, but to pursue it with the vigour that the hon. member for High Park pursued it, until he explodes all the answers that were given.

Even when the insurance company comes up with more phoney answers, and when he finds that kind of a thing going on, let them know in advance that when it is found out, their policy is cancelled. In this way you will protect the consumers of this province from the exploitation that goes on day and day out under this jurisdiction.

Mr. R. F. Nixon (Leader of the Opposition): Does the member mean their licences?

Mr. MacDonald: Yes, cancel their licences. If I said policy I meant their licence, I am sorry.

Mr. J. Renwick (Riverdale): Mr. Chairman, I would like to add one further comment to what the member for High Park and the leader of this party has said. I think what is wrong, what the Minister cannot now simply slough off, is that there is something basically wrong with the reporting system of these cancellations.

It is quite ridiculous, year in and year out, for members to stand up and recite instance after instance and to have the Minister give the usual reply that he will look into the matter and deal with the particular topic at some future time. I am sure this Minister will do so. But what we tried to get, as a very minimum a year ago—and I am sure on other occasions as well, but this comes to mind—was an amendment when the revision of the automobile insurance provisions in The Insurance Act were coming through and, indeed, when other provisions were coming through this Legislature, an amendment to provide that, on any cancellation or failure to renew a policy, notice of that cancellation would be given not only to the insured person but would be given to the superintendent of insurance, so that he would know what policies—

Hon. Mr. Rowntree: Is the member talking about any kind of policy now?

Mr. J. Renwick: Well, we dealt last year with the automobile policies and we also moved this same amendment at the time for fire insurance policies, which are the two major areas of concern. Now, the government would not support it, why I do not know. They said they would give it serious consideration. I remember distinctly the Attorney General saying that he, himself, seemed to favour the idea and we were lulled into a sense of security that he was going to bring it in as part of the bill in a proposed amendment. He did not do so.

What has to be done is a very minimum step. It is for the Minister to amend those statutes to provide, in the very first instance, that notice of cancellation of a policy, or failure to renew—which is the equivalent of a cancellation—will go to the superintendent of insurance as well as to the insured person. That, at least, will act upon the company so that they will know that the superintendent of insurance, in whatever his role is—and I share the concern of the leader of this party that the role has never been clearly

defined—will have received notice of the cancellation.

And as he studies the notices and as he sees the origin of the notices, he can give consideration as to what further initiative is required on his part by way of explanation. Indeed, he might even institute a spot-checking method by which he could enquire as to the reason for cancellation of one out of every ten, or whatever the appropriate random sample might be. But we have not been able to even get that minor agreement of the government to that kind of a procedural change. All we can get is, year after year, members standing up, reading these letters, considerable time being spent by the members in order to follow them through, and then having the Minister give the same answer.

Now I would like the Minister to say whether or not he would give consideration to that kind of an amendment to the statutes which his department administers.

Hon. Mr. Rowntree: To be quite frank with you, I personally would have no objection to a study of this sort, even if it were on a test period basis. But I would not want to take something on that involved some millions of items, or anything of that sort.

In the words of the hon. member for Riverdale, it is something that I have no objection to taking under consideration and, in fact, I would be glad to do that to see for my own information just what are the movements and trends in that area.

Mr. E. R. Good (Waterloo North): Mr. Chairman, I would like to address a few remarks to this matter of the superintendent of insurance in view of the fact that there are a good many insurance companies in my area. It is gratifying to note none have been mentioned among all the flagrant charges of the loquacious member for High Park. But I am not here to associate myself with those charges, nor am I here to defend insurance companies, but there is a point which I would like to make which I think is very relevant.

A great deal of this criticism may be justified and, again, a great deal of it may not be. However, one of the basic policies of this party had been, during their last campaign, that large rate increases should be justified by someone. We have had great increases of 23 per cent, 18 per cent, 15 per cent. There has been a public outcry. Insurance companies say they lose money. There have been charges that they do lose, other charges say they are not losing money, they are making a lot of money.

I believe—and I had it drawn to my attention—that under the present Act as it now stands there is ample provision, and specifically under section 75, so that the superintendent of insurance could have, as it says here, any licensed insurer carrying on business in the province of Ontario, prepare and file when required with the superintendent or with such statistical agency as he designates, a record of its automobile insurance premiums, its losses, expenses and its costs in Ontario.

It is my understanding that in spite of the fact that this section has been on the statute book for over 25 years, it has never been used by the superintendent of insurance. I may be wrong on that. If I am, I will be corrected. I believe a lot of the problems could be eliminated with the insurance business if the superintendent of insurance—now that there is a new one appointed, I hope that he will pursue this thought—would simply ask the insurance companies to comply with his demands under this section. I think the air would be cleared, and I have had it said to me by members of the insurance business that they would be glad to justify their charges and justify their rate increases.

Consequently, I think that any reputable insurance company would be glad to have the air cleared by the use of this and other relevant sections by the superintendent of insurance.

Hon. Mr. Rowntree: I would like to point out in answer to the hon. member that within the last 12 months there has been a reduction in automobile insurance rates in Ontario. I will not go into the question of the comparative study and figures available between this jurisdiction and other states in other parts of Canada and in the United States, where the attractiveness of the rates here are demonstrated.

With respect to the section of the Act and the analysis of the company's revenue and expenses and the ultimate premium factor which the hon. member was referring to, this goes on and does exist to my knowledge. This was part of the matter that I was referring to yesterday, if not the day before, in the Mayerson actuarial study, where his interim report deals with the basis of rate making. This, of course, leads into an analysis of the green book, but beyond the green book into the question of the actual

figures from the companies themselves. This matter is something that interests me and with the appointment of the new superintendent of insurance will be actively pursued.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, if someone else has anything to say about insurance companies I will yield the floor because I want to bring up a different topic.

Mr. J. E. Bullbrook (Sarnia): Mr. Chairman, if I might, I wonder if I might direct a question to the Minister pursuant to the remarks made by the hon. member for High Park?

I was taken, in his discussion of the case of the British Pacific Insurance Company, his relating to the House of the wording of that particular section. I do not want to get into the merits of that particular situation but as I recall there was a question of total disability and confinement within the residence. When it has to come to one's mind that if as a result of an accident the person was confined within the hospital, one then does not fall within the purview of that section of the policy that he is confined within his residence at that time.

This is so blatant—I think the hon. member for High Park used the phrase blatant. If a company, for example, is going to sell insurance that envisages total disability, it might well lead to confinement in the hospital. Then it takes the position that then you are not confined within your residence and we do not have to pay for you, that this is not—

An hon. member: It is fraud. It is a disgrace.

Mr. Bullbrook: I was not going to go quite that far as to say it was fraud, but I wonder, Mr. Chairman, is there any obligation on the superintendent of insurance in connection with an initial perusal of the actual wording of these contracts? I could stand here—as I am sure any member of the legal profession could who has done any work in ligitation—and talk to you, Mr. Chairman, through you to the Minister, about many cases that I have had with similar types of companies and them attempting time after time to extricate themselves from a responsibility. Does the honest broker not have a responsibility to look at the wording of that contract to begin with? Does he have a responsibility to say, "It would appear to me that you can unduly extricate yourself from a responsibility that you might have to a policyholder"?

Hon. Mr. Rowntree: I am not sure that there is any absolute responsibility on the superintendent, but there is a practice in law, I believe, where he can disapprove of a form of wording in the policy. From what came out in the debate this afternoon about the British Pacific policy, I think it was, I would like to have a look at this policy and perhaps we shall pursue it. Some of these things are so narrow that they are just not realistic; this is what we are all talking about.

Mr. Bullbrook: Would the Minister agree with me, Mr. Chairman, that this just is not a question of privacy of contract between two people, really? There should be some intrusion by government in connection with the wording of the contract.

Mr. Young: Mr. Chairman, I want to make a couple of observations about this problem that the average person has in entering into a contract. He pays the contract price which is demanded in insurance, whether it is on an automobile or on the house or whatever it may be. Then, when he makes a claim he finds that that contract is cancelled by the other side unilaterally. This, it seems to me, is one of the weaknesses in the whole insurance system in this province and elsewhere.

If I insure my home I expect that during the period of three years, or whatever it may be, that gives me coverage, and no matter what happens in the meantime—if the house burns or if there are claims against the policy—I have in good faith entered into that policy and unless I am caught by the courts in arson or something of that nature, then that contract should be valid.

I have here on my desk several cases. I am not going to quote them all, but here is one where a small apartment block in the city of Hamilton was insured for $24,000 and the furniture for $4,000. There was a claim in respect of the furniture for $45. Somebody had been smoking and the furniture caught fire. A claim of $45. Immediately after the payment of that $45 claim the insurance company imposed a $50 deductible clause on fire from tobacco products. Then just before the termination of the contract, the contract was cancelled, and a small refund made.

Hon. Mr. Rowntree: What company was this?

Mr. Young: This is the Glen Falls Insurance Company.

In another similar case involving ten small furnished apartments, of one to two rooms, the building was insured for $25,000, the furniture for $3,000. There were three claims during the period: April 13, 1966, a claim for $155; May 15, a claim for $70; August 14, 1967, that over a year later, a claim for $79.50. These were claims for a fire which affected mainly furniture. That was a total of $304.50. The original policy was $211.95 so that the insurance company was out a few dollars here. But after the first fire, the deductible clause was imposed so that the $50 deductible was in effect, and then at the termination, or just before the termination of the contract, it was cancelled, after the final fire in August 14, 1967.

The agent who dealt with this said the policy was cancelled because of the frequency of claims, not because of the total amount of claims, and the policies were cancelled not only on the furniture but on the buildings themselves. I do not know what the state of these buildings is. I suspect they are older buildings and they may be high in the scale of fire hazards; I do not know. The fact is they are buildings which the city has allowed to stand, buildings which have not been condemned by any authority of government, buildings upon which the owner entered upon contracts in good faith and paid his assessment for that contract Yet before the contract is terminated, because of him getting the very protection that he paid for, he first of all gets a deductible clause and then he gets a cancellation.

I think here is something that the Minister and this government ought to look into very carefully because a fire insurance contract, or a life insurance contract, whatever it may be, sickness and accident, any insurance contract should be a contract and unless, as I say, there is felony, unless there is some criminal act on which a company could void a contract of this kind, proving that the person on the one side is cheating on the contract, the contract itself should be allowed to run its course at least before a cancellation takes place.

If, at that point, the company decides that renewal is not in order, then there is something between the two participants to negotiate, but the other problem comes as soon as one company cancels a contract. Then the other companies say "no insurance either" and so a house, an apartment building, a section of the city, may be without this kind of protection even though those houses are allowed to stand there by the government, by the public authority, and not condemned in any way. Yet the company itself says, "Because of our experience of having several claims in this area, because of the kind of buildings, the wooden buildings or whatever they may be, in the area, we are not offering insurance". Somewhere here there must be a breakthrough.

Hon. Mr. Rowntree: What you are talking about has something to do with what I think you might describe as fire insurance in depressed areas, and this matter I undertook to look into a year ago. Let me say that in the first six months of 1968, nine cases were referred to an insurance agents' association committee where a complaint had been made to the effect that a person in a depressed area was having difficulty obtaining fire insurance. Now I think we are talking about the same thing.

All of these were given instructions with respect to the removal of fire hazards and were otherwise advised as to how their properties might be rehabilitated to the point where they would become insurable.

Three cases involved properties which had no insurable value, since any value was in the land, and the owners were told that an appraisal would be necessary before this insurance could be made available.

Five of the cases submitted were rooming houses or speculative business investments.

As a statement of principle, my information is that an insurance market is available for any property which meets reasonable insurance underwriting requirements. I do not think that that is necessarily unreasonable. I think it is reasonable, and this availability of market was the subject of our discussion a year ago.

Mr. Young: This, in effect, Mr. Chairman, gives the insurance industry the determination as to whether or not the buildings should stay. Now there may be some sense in them having the power to say whether or not this is a risk or is not a risk, and yet somehow that gap has to be filled. If the insurance company says this building is not insurable, then it seems a public authority at that point ought to move in and say that renovation should take place.

Hon. Mr. Rowntree: I think we had better make it clear here that I know of no principle or legislation in this country, anywhere in Canada, that forces one party to a contract to enter into that contract. There are a num-

ber of risks that we all could mention where there is no insurance available because of the nature of the risk. I do not know of any absolute rule where everything in life is insurable.

Mr. Young: I am not saying that, Mr. Chairman. The thing that I am saying is that in this gray area, surely if an insurance company says that these buildings are not insurable, that should then, of course, be a concern for the public authority, and at that point something ought to be done. How that liaison can be worked out I am not sure. Perhaps the Minister has some ideas here.

Certainly if a building is so far gone that it is not insurable then it should be the concern of a public authority, and it may well be that if the public authority is not willing to move at that point then the citizens will have to take things into their own hands and perhaps make a change in governments, I do not know. But in any case, I think there is a problem here and it may be that I should advise the people who have written me here to get in touch with the Minister or with his department, to see what might be done in these particular cases.

Mr. Shulman: Mr. Chairman, on the subject of fire insurance, I am glad my colleague from Yorkview has brought this up because we have now dealt with automobile insurance, health insurance, and I am delighted we have now come to fire insurance. There is quite a different problem in relation to fire insurance but one that is apparently perfectly legal and again, to my mind, an injustice—not as grave an injustice as the ones related earlier, but an injustice. To illustrate again, because I find it easier to explain these things if I have a specific case to illustrate the problem—

Hon. Mr. Rowntree: Why do you not come to the principle?

Mr. Shulman: I will come to the principle, Mr. Chairman, but I find that the members opposite find it a little easier to accept a principle if there are specifics to back it up. So I would like to give the Minister, through you, sir, the specifics of one or perhaps more cases so that he will understand the problem which persons have who take out fire insurance. Let me say to begin with that fire insurance is very similar to health insurance; it is great as long as you do not have a fire. I have never had a complaint yet from anyone who had a policy who had not had a fire, they never found anything but the greatest of courtesy from the fire insurance companies.

However, it does not work quite as well if you have a fire. I have a letter here from a Mrs. Marion Thomson. She lives at 134 Crescent Road, Toronto 5, and she sent me this letter a few weeks ago—March 6, 1968, and it spells the problem out very well so I will read it:

134 Crescent Road,
Toronto 5.

Dear Dr. Shulman:

Pursuant to my letter responding to your recent advertisement re automobile insurance claims, I should like to mention there is need also for examining in respect to fire insurance coverages.

I have been carrying $15,000 worth of insurance on my house for the past 15 years. This was much less than was advisable but indeed the most I could manage. I had a fire here about three months ago causing some $7,000 damage to the dwelling itself. The Wellington Fire Insurance Company advised me they would reckon their liability on a *pro rata* basis and, therefore, would only cover $5,000 of my loss unless taking into account a deduction for depreciation.

When one pays for $15,000 of insurance, one expects to be protected for $15,000 of damage. Under such circumstances, one does carry the risk of total loss in the event of damage over and above the amount to which one is covered. Surely this sort of dealing is unfair. I cannot see where one can be so informed in advance that this is the basis upon which insurance coverage is set. It certainly was never brought to my attention prior to the fire loss.

Yours very truly,

Mrs. Thomson.

Hon. A. Grossman (Minister of Correctional Services): You have got a bad case there.

Mr. Shulman: I find it interesting that the Minister of Correctional Services finds this a bad case. He is right, it is a bad case because the whole principle is bad.

Hon. Mr. Grossman: Would the hon. member mind if I asked a couple of questions on this?

Mr. Shulman: By all means.

Hon. Mr. Grossman: I was listening with a great deal of interest to this whole debate, and there is a great deal with which we

should concern ourselves—some of the matters which have been brought up have been familiar to most of us for some years.

Mr. E. W. Martel (Sudbury East): Why do you not do something about it?

Hon. Mr. Grossman: Well, this is another matter. Let us stick to the point. In the first place, the hon. member for Yorkview started out to talk about contents insurance and then wound up talking, for some reason or other, without—

Mr. Shulman: Is the Minister asking me questions?

Hon. Mr. Grossman: Yes, I am going to relate this. I am trying to point out that you can confuse this so badly that you really spoil a good case sometimes. He started to talk about fire insurance on furniture and that the person had three claims and for some reason or other we got involved in the building insurance.

Mr. Young: The insurance on the building was also cancelled.

Hon. Mr. Grossman: Of course, there could be a reason. I am not saying in that case. But there could be a reason where the fire insurance companies found out that there was bad housekeeping. A person may keep the kind of a house where they are asking for a fire by leaving a lot of rubbish around and so on. Let me get to the hon. member's case. It is possible to get your insurance a lot cheaper if you do not insure up to a certain level, I think it is 80 per cent for replacement insurance.

Mr. D. H. Morrow (Ottawa West): Correct, 80 per cent!

Hon. Mr. Grossman: If you insure for 80 per cent of its actual value, then you get replacement cost, and you are not a co-insurer yourself. The company will pay the full claim and will pay the replacement value, if I recall it—because I have not sold an insurance policy since Pike's Peak was a pimple. You offer this to the applicant and say, "Now, you can get it cheaper if you want to just insure for a specific amount."

Now, obviously if I have a residence which is worth $50,000 and I can get $15,000 of insurance on it without insuring the other $35,000, I can get that a lot cheaper. But which part has been burned down? The part that was uninsured or the part that was insured?

And obviously if I buy only $15,000 of insurance and exepect that the part I have insured is the part where the damage has been, it is unfair to the insurers obviously. So the insurers give you the opportunity to choose and say, "If you pay a higher premium, take 80 per cent of the total value, then we will consider the whole place insured and we will pay you 100 per cent, not only of the claim, but 100 per cent replacement value."

So the hon. member did not bring out a good case there, and it is unfair in this instance to the insurance companies to bring that out as bad practice, unless he wants to argue that the applicant did not get this opportunity. I cannot understand that because an insurance agent obviously would want to sell more insurance if he could, because he gets a higher commission on a higher premium.

Mr. J. E. Stokes (Thunder Bay): Well, what is the Minister's question?

Mr. Shulman: Mr. Chairman, the Minister interrupted me, saying he wanted to ask a question and he has given an interesting speech, but I guess he forgot the question. Does he have a question?

Hon. Mr. Grossman: The question was, has the member gone to the trouble of finding out whether the lady in fact was aware of the terms of her insurance and that she could have gotten complete coverage had she paid a slightly higher premium?

Mr. Shulman: Well now, if the Minister had been willing to wait a few minutes, he would have found all this out. Yes, of course, she was not aware and the public is not aware. If we may just compare fire insurance to life insurance where it becomes very obvious; it is just as though you were to take out a life insurance policy for $15,000 and then you die and the wife goes to collect the $15,000 and they say, "Oh, no, his life was worth more than $15,000, his life was worth $50,000, therefore we are going to pay only a proportionate amount."

Or take auto insurance: Suppose you have an automobile insurance policy and you take out a policy for $2,000 and your car has $1,000 damage. They say, "Well, we are going to pay you only half of that because the car is worth $4,000." The whole logic is wrong. But the basic point—getting away from the Minister's question, if it was a question—is that the public believes wrongly,

unfortunately, that when they take a certain amount of insurance, be it fire insurance or car insurance, or life insurance, that they have insurance up to that amount of damage, and this appears to me to be a reasonable belief.

It may not be reasonable to an insurance salesman, obviously it is not to the Minister of Correctional Services, but it appears to me, as a non-insurance salesman and as a non-lawyer, a reasonable expectation that if I have $5,000 worth of insurance on my home and there is $5,000 damage or more, I will collect $5,000.

Hon. Mr. Grossman: Even though the insurance man offered her the choice.

Mr. Shulman: It is not in the policy.

Hon Mr. Grossman: It is in the policy. As I just explained to the hon. member.

Mr. Shulman: Mr. Chairman, the Minister of Correctional Services will have plenty of opportunity to make his speech. Will you please try and keep order on the front benches if possible, until I am through and then I am sure the Minister will have a great deal to say.

Hon. Mr. Grossman: I hope the hon. member does not say I am walking out on him, but I was giving him the courtesy of my attention for about two and a half hours because I was interested in what he had to say —but if he gets insulting because I want to engage in a discussion—

Mr. C. C. Pilkey (Oshawa): Oh, do not be so thin-skinned!

Mr. Shulman: Mr. Chairman, I feel this is the second time I have reached the Minister this session and I am rather pleased. Come back, do not go away mad.

Hon. Mr. Grossman: I am not mad. I am just too busy.

Mr. Shulman: Mr. Chairman, on a point of order. The hon. Minister did not bow to the chair as he left, I think it should be drawn to your attention. To carry on, the point here is that the basis upon which fire insurance is sold is wrong, because the public are not technicians in this field; they are not technicians in any field, and when they buy $X of insurance, they believe, and it is a normal belief, that they should have $X of coverage.

Now, when someone has a house that is worth $25,000 and they buy $10,000 worth of insurance, they think, "Well, it is not likely there will be more than $10,000 damage. If there is, I will have to cover it because I do not want to spend a tremendous amount of money for insurance" and this is the basis on which this type of insurance should be sold, the same as every other type of insurance.

I am aware this is not the basis on which it is sold, everyone in this House is aware now that this is not the basis on which fire insurance is sold, but this is the wrong basis. And may I suggest to the Minister and through him to the superintendent of insurance, and through the superintendent of insurance to the fire insurance companies, that at least on non-commercial risks, private individuals who cannot be expected to have this technical knowledge, this is not the basis on which the policy should be sold.

There should be a new look taken at fire insurance so if you buy $5,000 worth of insurance, you have $5,000 worth of coverage, because otherwise the public, not being technically minded is going to continue to be disappointed in insurance, it is going to continue to have this particular type of tragedy occur, where they suddenly find to their great shock and disappointment that they do not have the coverage which they believed they did have.

Now, there is no illegality here; it is purely and simply a concept of insurance which the insurance companies hold and which is not understood by the public and it is a concept which is never going to be understood by the public. So let me suggest again, perhaps, a change of concept. Raise the rates if you have to, set your rates at a fair level, but put it so that when someone buys a policy for that number of dollars, he has that amount of coverage.

Mr. MacDonald: I have two brief items, Mr. Chairman, that I want to raise. One, with regard to the Minister's indication in his introductory statement of a number of research studies that were being done. One is mentioned as follows, "actuarial studies being made into the matter of automobile insurance". I wonder if the Minister could give us a somewhat clearer picture of exactly what that study is?

Hon. Mr. Rowntree: This is the Mayerson study that I discussed twice here in these estimates.

It is a joint effort with all the provinces, and there is an interim report from which I

quoted several paragraphs yesterday. The final report is expected this fall.

Mr. MacDonald: The other point, Mr. Chairman, that I wanted to deal with is that I am sure that the Minister does not wish to perpetuate false statements with regard to the other jurisdiction and the continuing argument on car insurance. I replied to him when he made some comments in his introduction, and our friend from Humber (Mr. Ben) intervened. I replied at that time without the authorities from Saskatchewan.

I want to put two brief comments on the record, and I hope we can end, once and for all, any repetition in this House from a Minister of the Crown, or from any Opposition member on the Liberal side of the House, the argument that the Saskatchewan car insurance is being subsidized out of the public treasury. It simply is not a fact, and each time that it is repeated, Mr. Chairman, you are regurgitating the ghost writings from the insurance companies.

Now let me put two comments on the record. I am not arguing from this point forward. I am simply quoting and the record is there. The first will be of particular interest to our Liberal friend from Humber.

This is the Regina *Leader-Post,* October 11, 1960. I am certain the date is—

Interjections by hon. members.

Mr. MacDonald: No. I am sorry, it is a photostatic copy and the date is blurred, but I am sure it is October 11, 1966. In any case it is a comment by the Minister in charge. I quote:

> Charges by an Ontario insurance federation president that Saskatchewan government auto insurance was "the cruelest hoax ever perpetrated in a province" were described as insulting and blatantly misleading.
>
> The Hon. Dave Boldt, Minister in charge of Saskatchewan government insurance office, said John E. Lowes of Peterborough, the president, used distorted facts, misleading to the public.
>
> Mr. Boldt said this was despite the fact that information on the auto insurance scheme was available to any individual and in fact had been offered to Mr. Lowes earlier this year.
>
> Mr. Lowes has said that even with government support, and paying no taxes, the scheme still ran a deficit and he alleged that money from penalty premiums on operators' licences for previously convicted drivers went as unreported income. "Mr. Lowes must know," said Mr. Boldt, "that the provincial Treasury has never financially supported the automobile accident insurance fund." The Minister said Mr. Lowes must also know that both the SGIO—that is the Saskatchewan government insurance office—and the fund pay all applicable premium taxes as well as grants in lieu of taxes to all municipal bodies. "I am amazed that Mr. Lowes had the audacity to obviously misinterpret facts, and misinform the public. Mr. Lowes' remarks are an insult to the government of this province," Mr. Bodlt continued.

That is not a New Democrat speaking, that is the Minister in charge in the department in the Liberal government in Saskatchewan—and they are flaming free enterprisers!

Mr. Pilkey: Kind of explodes the myth.

Mr. J. H. White (London South): Tell us about the 40 per cent of employees that were card carrying CCF members.

Mr. Pilkey: Do not get off the subject.

Mr. MacDonald: You cannot deal with the point we have nailed down, so you move off to another canard.

Mr. Chairman, the second quotation that I wanted to put on the record is from the 1966 annual report of the Saskatchewan government insurance office. It is from page 5, entitled The Automobile Accident Insurance Act.

> This Act, administered by the Saskatchewan government insurance office on behalf of the provincial government, provides a comprehensive automobile accident insurance plan for the protection of the public in this province. Premiums paid by motorists create a fund from which benefits are paid in the event of death, injuries and damages sustained in automobile accidents. Any surplus overpayment is used to increase benefits, reduce premiums or absorb deficits in periods of high accident frequencies.
>
> The surplus is not transferable to the general operations of the Saskatchewan government insurance office, nor is any surplus credited to the provincial government. Since inception of the Act in 1946, the fund has been self-supporting, without contribution from either the Saskatchewan government insurance office or the Treasury of the province.

I trust that if you wish to renew the argument, at least next time—I say to the member for London South—it will be a new canard, not the old one that has been laid low.

Mr. Chairman: The member for High Park.

Mr. Shulman: Mr. Chairman, I would like to discuss Prudential Finance under this vote, and certain aspects that have to do with insurance. I am going to refer to the superintendent of insurance now, and his role and the role of this government in relation to the plight of certain individuals who have been involved in automobile accidents in this province and who carried insurance with the wrong companies.

I am referring specifically to Mr. and Mrs. William Craig, 26 Kenneth Avenue, Toronto. They bought a policy some years ago with the North American General Insurance Company. I have the original policy here. Back in November of 1965, Mrs. Craig ran into the rear of another car, and may I say that at the time that this accident occurred—November, 1965—the North American General Insurance had no connection whatsoever with the Prudential empire. There were certain damages to the automobile of the other person. There were certain physical damages to the driver of the other car.

The Craigs thought at that time they had adequate insurance; their coverage was $200,000 for personal damages and $50 deductible on the collision, so they were very well covered, certainly better covered than the average person in this province. So they did not worry about it. They got in touch with the North American Insurance Company and they said, fine we will send an appraiser out and fix everything up for you, and the Craigs forgot about it. This was in November 1965.

In January 1966, a couple of months later, North American General Insurance control was sold to the Prudential Finance Corporation, which should not have really affected the Craigs because what did they care about what happened to the control of that company? Unfortunately on December 5, 1966, Prudential Finance went bankrupt and North American followed it, and now begins the most incredible series of events.

Today, the Craigs are informed that the insurance that they had back in 1965 was no good. "You are not covered for that accident you had. North American never got around to settling it. There is a suit against you now for $15,000 by the persons in the other car." The Clarkson Company, for some reason with which I am not clear, supplied a lawyer to the Craigs to fight this case in court. This lawyer came up to them a couple of weeks ago and he said, "You cannot win this case, you know, because it was your fault, you had no coverage. You may have thought you had an insurance policy, but you did not have an insurance policy because a few months later your company was bought out by Prudential and a year after that Prudential went bankrupt, therefore, your coverage is no good. Therefore, you better pay the $15,000. If you pay it now, we can arrange for you to pay it off on a monthly basis, instead of having to lose your home and have it all taken from you in one shot."

Hon. Mr. Rowntree: There is just one point, and I am sure the hon. member would want the record to be clear—the bankruptcy was not the reason for the legal opinion as to the liability. I gather from what you are saying that the bankruptcy led into the legal opinion about liability, but it had nothing to do with it. The legal liability was on the facts of the accident.

Mr. Martel: Oh, take a pill!

Mr. Shulman: There is no question about liability. The Minister is perfectly right. Mrs. Craig ran into the back of another car; she was responsible for the accident. This is not the point of issue, and on that basis, leaving the insurance aside for the moment, her lawyer advised her, "You are going to have to pay", and she said, "What about my insurance?" because she thought she had insurance. She did have insurance. The lawyer tells her, "Too bad there is no money for that." Mr. Craig is an assembler, not a wealthy man; he is an assembler and earns $125 a week. He has managed to save over the years enough money to buy his own home, and nothing more. He owns that home and has no other savings—

Mr. W. Hodgson (York North): He should have read the book "How to Make a Million."

Mr. Shulman: He should not have lived in the province where we have such awful laws and where you stand and defend them. I am ashamed of you.

Mr. Martel: This is coming from all over. The Tories do not like to hear this stuff.

Mr. Shulman: Mr. Chairman, let us just consider this situation. When we discuss the investors who lost money in Prudential we have the Ministers of the Crown getting up

and saying that they were greedy, they wanted an extra half of one per cent of interest. Therefore we cannot step in and do anything for them. But what crime did the Craigs commit? What did they do wrong? They thought that they protected themselves, and they bought their insurance. What did they do wrong? Why should they be penalized and suffer? Surely if there was ever a case of injustice this is it. Now I say, through you, Mr. Chairman, to the Minister; for goodness sake, surely government in this enlightened country should have enough sense of duty—

Mr. A. Carruthers (Durham): There is more to the story.

Mr. Shulman: There is no more to the story. I invite the Minister to contribute if there is more to the story, because I laid these facts in front of him some weeks ago.

Mr. Pilkey: He is living in the dark ages.

Mr. Shulman: The Minister is aware of these facts. I will invite him to contribute anything to the debate—

Hon. Mr. Rowntree: I got some of the facts for you—

Mr. Shulman: Fine, yes, the Minister and I agree on the facts. Now that we do agree on the facts, I say to the Minister through you, sir, inasmuch as we agree on the facts, and I am glad that the Minister said that for the benefit of some of his backbenchers who were doubting the fact, inasmuch as we agree on the facts, and this is the situation, surely it is a function of government to intervene now to save these people from this financial catastrophe? Why should they lose their home when they did not do anything wrong? I submit to you, sir, and everyone in the House that it should be the proper function of government, even if it is a Conservative government with all of your prejudices and all of your obstinacy, in a case of obvious injustice to step in and do something about it.

Surely there is some government fund from which you can appropriate this money and if there is not surely you can bring in a bill which will allow this particular claim to be paid and that of a few other people who are in the same mess through no fault of their own? These people are absolutely innocent. There are two or three others that I am aware of and I believe that one of them was brought up by the member for York Centre. They have done nothing wrong and obeyed every law and tried to be prudent. Why should they be forced into bankruptcy through no fault of their own, or worse, forced to leave this country? I ask him, through you, sir, please, please, of everything else I have said to you today, I feel that this is the greatest injustice. Please intervene in this case and do something.

Hon. Mr. Rowntree: I have something to say about this situation. There is just one question about the facts. I do not think that it is relative, but I think that the record should be straight—the original policy to the Craigs, I think, was with the Wentworth Company, and arising from the subsequent running off the Wentworth business into North American General, or was it the other way around?

Mr. Shulman: This policy is North American.

Hon. Mr. Rowntree: It was the other way around. Well, it started with the Wentworth and ended up with North American. These circumstances relate around Wentworth Insurance Company, which is an Ontario corporation, and any reference to the distinguishing difference between North American General in the same corporate context was that North American General was a federal company and operated directly under a federal Act. In September of 1966, because of difficulties the Wentworth Insurance company was experiencing, it was agreed to run off its business.

Renewals would be taken up by its associate, the North American General, which was a federal company and acting under the federal superintendent of insurance.

It was given a discontinuing licence at the end of September, 1966. Early in December of the same year, the liquidator of Prudential Finance Company, the controlling shareholder, came to the conclusion that Wentworth was in an insolvent position and applied for a winding-up order pursuant to the provisions of the winding up Act of the revised statutes of Canada of 1952.

It shortly became apparent that there was conflict between the distribution provisions of the winding up Act, and those of The Ontario Insurance Act. Because the bulk of the assets were in the form of a deposit with the Minister, and it was contended by the superintendent, that is, the Ontario superintendent, that these assets could only be distributed according to the priorities set out in the provincial Act.

These provisions gave claimants under policies a preference, whereas under the federal Act, policyholders' claims for earned pre-

mium ranked equally with loss claimants, and were required to be paid on a *pro rata* basis.

The liquidator of the company, Wentworth, made a reference to the local master of the Supreme Court of Ontario, and there was a finding in favour of the priorities set out under the Ontario Act. This finding was appealed to a judge of a Supreme Court of Ontario who affirmed the master's finding.

It was again appealed and the court of appeal for Ontario ruled that The Ontario Insurance Act was inapplicable and the federal Act was paramount, therefore winding up that the provisions of the federal Act would govern. Therefore all claimants were entitled to be paid on an equal basis. The judgment in this matter by the court of appeal of Ontario was delivered on May 8, 1968.

At the present time, leave for appeal to the Supreme Court of Canada has been sought and there is good reason to believe that it will be granted, because I think that this case has got to go on to the Supreme Court for adjudication before the matter can quite frankly be either negotiated with the federal authorities or the bankruptcy law reviewed with respect to the subject matter.

Now, if this leave for appeal has been granted, and I am informed that it is, the case will finally be determined this fall. In the meantime, it is not possible to liquidate or make any payment out of the money in his possession.

He must wait until the issue is settled by the Supreme Court.

To date there have been approximately 400 automobile claims recorded by the liquidator and which are reserved on a gross basis of some $337,000. In addition there are about 160 miscellaneous claims amounting to $85,000.

It is difficult to advise how much money will be available to claimants after expenses of liquidation are paid. It is likely that it will be substantially less than 100 per cent, particularly if the judgment of the court of appeal is affirmed.

I understand that the liquidator has managed to reach agreement with a considerable number of claimants who will await the outcome of the appeal.

Now those are the facts of the case. This is where the matter is.

The issue is a constitutional one, as to the priorities between the winding up Act of Canada and The Insurance Act of Ontario.

There is one other aspect to this and it has to do with the question of the proceeds of the re-insurance which exists in the case, and whether or not that re-insurance goes into the general fund available to all creditors or whether the re-insurance, by its very nature, is tied to each of the insurance policies and so available to the individual policies. These are quite important points that are at issue, and we are interested in seeing that the greatest satisfaction from our point of view. Our argument must be in support of the Ontario law. But if we are successful in that, it will be helpful to the claimants as well.

Mr. Shulman: Mr. Chairman, obviously we are talking about two different things. The hon. Minister is talking about going to the court of appeal, and to the Supreme Court. What good is that to the Craigs? What I am asking him to do is show a little humanity and appropriate enough money—it is not a large sum that is involved here—to cover these immediate, absolute essentials. If you win these court cases again you finally find you can get this money back, well and good. But in the meanwhile are these lives to be ruined? This is not a matter of legal argument as to whether The Ontario Act is to rule or the Canadian Act is to rule.

Hon. Mr. Rowntree: It is relevant.

Mr. Shulman: It is relevant but not important. The important thing here is you are either going to do something for these people or you are not. Then by all means go ahead and have your long legal—

Mr. White: If we started discretionary payments of the public funds at the discretion of the government, you would be after us morning, noon and night.

Mr. J. Renwick: Oh, do not be crazy.

Mr. Shulman: If the member for London South wishes the floor I will be glad to yield to him.

Mr. Chairman: The member for High Park has the floor. Order please!

Vote 703.

Mr. Shulman: The matter is really a very simple one. It cannot wait because in the meanwhile people are going to be ruined. Now what I am asking the Minister, and I guess I did not make myself clear enough, is to take enough money to settle these immediate problems. I should think all the

claims together would not amount to $50,000 or $60,000. And then if you are right in your legal interpretation ultimately you will get that money back. But in the meanwhile have some humanity and that is what this a matter of, not some dry legal statistics. It is a matter of humanity.

Yes, I want a discretionary payment. Yes, because if you do not, you are going to ruin lives, and yes, I think that is more important than all the questions in this House.

Mr. White: Yes, and if we did that it would open the flood gates in a way that is not possible in any modern jurisdiction in the world.

Mr. D. M. Deacon (York Centre): Mr. Chairman, in the annual report of the department, we read about the superintendent of insurance division. It keeps a guardian eye on the many billions of dollars people of this province have entrusted to insurance companies, loan and trust corporations, investment contract companies and prepaid hospital and medical plans.

The situation regarding insurance companies and the operations of the department of insurance are quite different from those of the Ontario securities commission. The responsibility of the securities commission is basically plain and true disclosure, but this one refers to keeping a guardian eye. The people referred to by the hon. member for High Park do have a basic reason and a sound reason for looking to the department for assistance in this case, because the department has specifically the responsibility for keeping a guardian eye on these companies.

They can, I think, rightfully assume that this guardian eye entails watching that there are resources to pay the claims which they make. They pay their premiums. They have entrusted their billions of dollars in one way or another to the department to keep this guardian eye. The department has, over the years, increased its staff many times to cope with the increased number of companies and the volume of business being done, and I do not think this situation is the same as that of the securities commission in its responsibilities.

The department specifically says it has the responsibility of keeping a guardian eye. I think it is important that we not only have the government give consideration in this case to taking care of the intermediate needs of the claimants on these insurance companies under the circumstances, until the case is clarified as to whether there are funds to pay out these moneys, but I also think the department should report to this House what procedures it is taking to ensure that the companies have the funds necessary to pay claims.

I think we should have some explanation now as to what procedures are being followed by the department of insurance to see that there are not more Wentworth insurance companies. It was the first, perhaps, but we want to know if there are steps being taken constantly to watch over the financial position and the resources of the companies.

Hon. Mr. Rowntree: In connection with the inspection of this company by this branch, sufficient assets to meet the requirements of the company and the claims under the outstanding policies were available and inspected in detail and vouched for. Subsequently, there is only one word that can be used—one of the officials of the company stole the assets improperly and this contributed and led to the—

Mr. MacDonald: How do you steal "properly"?

Hon. Mr. Rowntree: That is a good question. But these matters are currently before the courts and I am sure the hon. member knows as much or more than I do about some of the ways people in the financial world were deceived, reputable companies and so on. I just simply leave this because this is not the time or the place to go into the matter. The charges are outstanding but the assets were there, under the current inspection, to meet the requirements of the policy holders. The situation was all right until certain assets disappeared and were not available, and they were improperly taken.

Mr. Deacon: Mr. Chairman, the issue was raised yesterday about the matter of fidelity insurance, or insurance to cover stealing from organizations. Is this a requirement of the department that the insurance companies do carry insurance against such events, when officials steal?

Hon. Mr. Rowntree: Yes, there was fidelity insurance in the case of Wentworth and the claim has been submitted, I understand, by the liquidator to the underwriter.

Mr. Deacon: In that event, Mr. Chairman, would not the government then be quite safe, in view of the ability to recover from the fidelity insurance bond and perhaps in addition they can make a full recovery through winning the case in the Supreme Court?

Hon. Mr. Rowntree: Just to keep the records clear, if the defalcation is partially covered.

Mr. Deacon: It is partially covered. The requirements of the department are that they have insurance to fully cover. I thought I understood from your answer that there was fidelity insurance to fully cover claims.

Hon. Mr. Rowntree: Not necessarily in all of the instances.

Mr. Deacon: I think, Mr. Chairman, that it is very unwise of the department to claim to keep a guardian eye unless it sees that these situations are covered. They are not very difficult to cover. It would not be difficult to set amounts and standards of insurance in these events that would fully protect the policy holders against defalcation. I would feel that in the case of the investment industry these should be the requirements that the department should insist on to safeguard the interest of the public. These people are suffering a great hardship as a result of the claims that they are having to pay, and that they thought they were protected against.

The government is in a position where it can see any payments they make being recovered through the insurance that is outstanding or perhaps being successful in the Supreme Court. I think there should be action taken at least to partially alleviate their burden and I would ask the Minister to give consideration to doing this.

I would also ask the Minister to tell us in some detail of how they are checking the financial resources of the insurance companies. Are they doing merely a check of the annual report or is there more frequent inspection or a questionnaire being submitted?

Hon. Mr. Rowntree: All Ontario insurance, loan and trust companies and corporations are subject to annual inspection by examiners of the office of the superintendent of insurance and the office of the registrar of loan and trust corporations. These examinations may and do take place at any time without prior notice. In addition, these companies make returns during the year to the department and further inspections may be and are made on the basis of examination of these returns or any other information coming to the attention of the department. The fact of the matter is that no system of inspection can completely eliminate all possibility of loss, especially losses arising out of misappropriation of assets. But the record of the office of superintendent in preventing losses to Ontario policy holders compares most favourably with that of other jurisdictions.

Mr. Deacon: Mr. Chairman, I agree that our records compare favourably but I do not think that we are proud of any defalcation or any failure of any insurance companies, nor is the insurance industry proud. I am sure that the insurance industry could develop, in co-operation with the Minister, a system whereby much more frequent than annual questionnaires are submitted. They do not need to be in greater detail than those that I am sure the insurance companies have available for their own internal records. In this way, when an inspector goes in from the department to look over the company's position, he has a very recent report of the company's position to refer to, and if there is a major change he has a basis on which to question what developments within the company have occurred and why there would be such a discrepancy between the most recent questionnaire the company might have answered and what the auditor or inspector happens to find.

Hon. Mr. Rowntree: I think this would not cover the situation where misappropriation of assets took place.

Mr. Deacon: I think, Mr. Chairman, my comments in that regard will be well covered if there is adequate insurance insisted upon by the department to cover misappropriation of funds, and the Minister has not given an answer to me in that regard. What steps are taken by the department to ensure that there is sufficient insurance coverage against misappropriation of funds? How does the department measure whether the coverage is adequate? What standards of coverage does it request?

Hon. Mr. Rowntree: The situation was that in the Prudential group there was fidelity insurance which, according to the standards of the day, was sufficient and adequate to meet the potential risks that might be contemplated. The fact was that when the whole Prudential empire went the fidelity policy of course was not adequate because all of the companies, or a number of them, went into receivership. As far as I am concerned that situation will not repeat itself today.

Mr. Deacon: Mr. Chairman, the Minister still is not answering my question about what standards the department is requiring now in insurance coverage in such circumstances.

What are you doing today to ensure that no repetition of Wentworth could occur?

Hon. Mr. Rowntree: Maintaining and requiring individual policies with respect to each company which is licensed by the department.

Mr. Deacon: Do you have a schedule of insurance coverage that you require so that there is a definite assurance on your part—you are quite fully assured that this coverage is adequate?

Hon. Mr. Rowntree: That situation would vary according to each licensed company which is under inspection.

Mr. Deacon: In other words, the department negotiates with each company.

Hon. Mr. Rowntree: I did not say negotiate; I said the department's requirements would differ from each licensed company.

Mr. Deacon: Do you have a schedule of such requirements so each company knows what is required of them?

Hon. Mr. Rowntree: The company is notified of the requirements against their situation on their balance sheet.

Mr. Chairman: Vote 703; the member for Riverdale.

Mr. J. Renwick: Just to pick up the thread of the argument from the member for York Centre, what are the criteria that are used to determine what the requirements for a particular company may be? There must be some criteria.

Hon. Mr. Rowntree: The size of the company, the amount of insurance at risk, and the requirements that might be made upon it.

Mr. J. Renwick: Well, Mr. Chairman, are these reduced to writing somewhere within the department?

Hon. Mr. Rowntree: Against what?

Mr. J. Renwick: Are these reduced to writing somewhere within the department, or is it done off the seat of your pants?

Hon. Mr. Rowntree: Oh, it is not done off the seat of your pants or of ours.

Mr. J. Renwick: How is it done?

Hon. Mr. Rowntree: We try to do it in a business-like way, because the inspection staff of the branch are in constant communication with these people and particularly at the time when these requirements are being established. What they were doing two or three years ago I have no knowledge of, but I am satisfied that they are applying a better test of judgment to the current situation than before.

Mr. J. Renwick: I only picked it up because the Minister is getting more unresponsive as the afternoon wears on to the enquiries that have been made.

Hon. Mr. Rowntree: I have been pretty responsive, have I not? I thought I was being friendly to the hon. member for Riverdale—co-operative.

Mr. J. Renwick: I am not questioning your friendliness, I am just questioning your responsiveness to the questions which have been put to you. I am concerned that the Minister has not been clear about the case put by the member for High Park and the other case put by the member for York Centre about the North American Insurance Company, and the positions specifically of the Craigs. Has the department, in fact, considered the claim and the position of the Craigs and come to some decision about it?

Hon. Mr. Rowntree: This situation was referred to me by the member for High Park and I got the information and it was not convenient for me to step over to see him one day. But my deputy did and the member for High Park said, I will sure be bringing this up in the House; which was fair comment and which he did. What has not been said, and which is one of the facts of this file, is that the Craigs cannot be said to have been co-operative, either in the hearing of the case, the bringing of it to trial or in the relationship with the underwriters who were subsequently replaced by the liquidator or the trustee in bankruptcy. Their co-operation obviously left a good deal to be desired.

Mr. Shulman: They did not want to pay the money and lose their home.

Hon. Mr. Rowntree: No, the general co-operation left a lot to be desired, that is all I am saying.

We, from our point of view, are in touch with the liquidator and also with respect to the action at Ottawa with the proceeds of the re-insurance and the allocation of the available assets for distribution. We are trying to move this as quickly as possible but

no determination has been made by the government with respect to the subject raised by the member for Riverdale and prior by the member for High Park.

Mr. D. M. De Monte (Dovercourt): Mr. Chairman, going back to the Wentworth situation, was there any policy set down by the department as to fiduciary bonds placed on directors for defalcation? May I ask that question please?

Hon. Mr. Rowntree: The insurance that I was talking about, sir, covered the whole Prudential group.

Mr. De Monte: No, I mean was there any fiduciary bond on the director that absconded with the funds in the Wentworth disasters?

Hon. Mr. Rowntree: Yes.

Mr. De Monte: May I ask you how much it was?

Hon. Mr. Rowntree: I would have to get that information for you.

Mr. De Monte: The other point is, Mr. Chairman, is there any policy by the department now about placing fiduciary bonds on directors of insurance companies and if there is, what percentage of the capital, or what amount of bond is required by the department?

Hon. Mr. Rowntree: That was answered a few moments ago. The answer is yes, that in the individual cases the requirements of the company and obligations and the nature of the assets would lead to the nature of the coverage required; a major change from the Prudential situation, where a single policy covered all the groups in that corporate structure. Individual policies are now required.

Mr. De Monte: May I ask this question, Mr. Chairman, is it the policy of the department now to request fiduciary bonds on all directors of insurance companies for defalcation? I am just trying to find out whether it is a policy, or whether it is a helter skelter idea that is—

Hon. Mr. Rowntree: The policy is in favour of the company against defalcation by any representative of management or officials.

Mr. Chairman: The member for York Centre.

Mr. Deacon: Perhaps in order to satisfy this question of the standard adopted by the department in this regard of fiduciary coverage now, would the Minister gives us three or four examples of the insurance that is insisted upon and required by the fiduciary bonds to protect policy holders against defalcation? I think that if we had some examples it might help us to see just how this works now.

Hon. Mr. Rowntree: I would be glad to discuss it with the hon. member.

Mr. Chairman: The member for Riverdale.

Mr. J. Renwick: Mr. Chairman, I would like to revert to the Craigs briefly. Is the Minister willing to undertake that he would arrange with the superintendent of insurance to have the specific instances of persons in the same position as the Craig family considered and studied by this superintendent of insurance with a view to making a recommendation to the Minister as to whether there was any merit in the government considering special compensation for them?

Hon. Mr. Rowntree: Well, I see no reason why we should not have the benefit of the superintendent's views; I would be glad to secure it.

Mr. Shulman: I would just like to make one suggestion in this matter. The position might not be unfavourably compared to that of someone who had not carried insurance at all, because although they had paid for it apparently they did not have it. I wonder if the Minister would give some consideration, considering all the circumstances in this case, to having the motor vehicle unsatisfied judgment fund pay this claim? This would appear to me to be a fair and equitable and honest way out of this very unhappy situation and I would be most happy if the Minister would give some consideration to this.

Hon. Mr. Rowntree: As I told the member for High Park yesterday that particular administration does not come within my personal jurisdiction.

Mr. Shulman: I am aware of that, but under the circumstances of the occasion, would the Minister consult with this colleague in the Cabinet on this particular matter because it is a very sad case?

Mr. Chairman: The member for York Centre.

Mr. Deacon: A year ago, in the consideration of the estimates of this department, the

Minister told us that a study of the rates of insurance companies was being conducted by Mr. Mayerson. Has he completed that study?

Hon. Mr. Rowntree: I have referred three times during the current estimates to the Mayerson study. I discussed it about ten minutes ago today. I will repeat it for the benefit of the hon. member. The Mayerson study is on behalf of all the provinces. I conveyed an interim report of his earlier findings and we hope that the final consideration and report will be available by the end of the year.

Mr. Chairman: The member for Riverdale.

Mr. J. Renwick: I would like to speak briefly about the concern I have with the automobile insurance coverage which is going to come into effect on January 1, 1969. Let me assume for the moment that it will come into effect on that date across the country, and that therefore we will have in the province of Ontario, the Saskatchewan scheme of insurance operated through the private insurance industry. My concern is not with the effect of that scheme; my concern is that after this number of years we are about to introduce into Ontario what was a very real innovation in automobile insurance about 25 years ago. It is no longer adequate, and all the studies which are made in Canada and the United States bearing on compensation for traffic victims bear out that that scheme is not adequate.

I would suggest to the hon. Minister that he give consideration to having an independent study instituted immediately, not for the purpose of delaying the plan which they have to introduce, including the non-fault aspect of auto insurance, on January 1, 1969, but with a view to getting ahead of the problem of compensation of victims of auto accidents. I make the following points in connection with the non-fault coverage, which is going to be introduced in the province of Ontario on January 1, 1969, in order to simply illustrate its deficiencies. First of all, it is going to be optional. Thus the accident insurance feature of the insurance policy, which has become known as the "non-fault" portion of the policy, is not an essential requirement of the standard automobile policy but optional.

That is the first serious flaw in the scheme. I know that with all the negotiations that have gone on with the superintendents across the country, it is not going to be changed now. I am talking about a study now with some forethought to what changes are going to have to be made in the future. That is the first serious criticism of it.

Second, it does not cover any pedestrian who is run down by an automobile driver who is insured and carrying that non-fault coverage. So that if a pedestrian is hit by an automobile where the driver has taken out the non-fault coverage, the pedestrian is not entitled to the benefits of that coverage. That is my understanding of it, to the extent of my knowledge of it.

The third criticism which I have is that while it covers medical expenses and provides a death benefit, it is what many people have referred to as a personal injury lottery. In other words, you get so many dollars for such-and-such a dismemberment of portions of your anatomy. The criterion is simply which portion of the anatomy do you happen to lose, and if it is a total dismemberment, you get "X" dollars. There is no criterion of judgment exercised as to the value of that particular limb to the person. It has no relation whatsoever to his income-earning capacity. It is just a categorical system where you assess so many dollars as the value of the particular limb. In my view it is a very rough-and-ready and inadequate method of providing for accident insurance coverage on a non-fault basis.

The next point of criticism that I have again relates to this question that it has no relation whatsoever to the actual loss to the individual, insofar as the income payments are concerned. They are specific identifiable payments payable over a two-year period, and they have no relationship whatsoever to the income-earning ability of the individual who has been injured. Second, the amounts, being fixed as they are with the policy at very specific limits, have no relationship whatsoever to the needs of the family of the person who is injured, if it happens to be the breadwinner of the family, and it is certainly not sufficient on any basis to meet the needs of a family.

Most of us carry insurance not for the minor nuisance of the minor accident in which we may be involved, but we carry insurance to cover ourselves during a period of long-term injury. This particular method of compensating for loss of income, limited as to time and amount, is totally inadequate to provide a loss of income compensation for anyone who suffers a long-term injury.

The next criticism that I have of it, Mr. Chairman, is that the person, in order to

draw the compensation for loss of income, must be in the language of the insurance industry, totally disabled, which means in substance, unable to do anything. There is no method by which his income can be supplemented should he be only partially disabled, and again I have referred to the two-year time limit at which point the compensation for loss of income is cut off entirely.

My point is very simple. You are committed to the scheme that will come in on January 1, 1969. It is my view that you should now institute a study having regard, sir, to the findings of the Keeton O'Connel report in the United States on basic protection of traffic victims, having regard to the Osgoode Hall study of the compensation of victims of traffic accidents. On the basis of those statistical studies, and on the basis of the proposals put forward by Professor Keeton O'Connel in the United States, you should start now to fashion a more adequate compensation scheme for victims of traffic accidents.

I would add only one footnote, that when Professor Linden's name is used in connection with the Osgoode Hall study of compensation for traffic victims, it should be remembered that that study takes no view of the insurance industry at all. It puts forward no claim to any adjustment in the system; it was purely to establish the facts—the very facts of compensation retailed on many occasions in this House. That Professor Linden nevertheless must be distinguished from the professor who is counsel on occasion for the All-Canada insurance federation. It is the professor Linden in that role who talks about this term "doctrinaire socialism" as being the position of the New Democratic Party.

Our position is that we have gone long enough fighting for the Saskatchewan scheme. It is coming into force in the province of Ontario. We believe that it is not adequate simply because the pay-out is 67 cents on the premium dollar instead of 86 cents on the premium. But we now want the government, with foresight and with intelligence, to start a study on the basis of the up-to-date information, to fashion a more adequate compensation scheme for victims of traffic accidents and to protect persons who are the owners or drivers of motor vehicles.

Mr. V. M. Singer (Downsview): Does the hon. Minister want to reply?

Hon. Mr. Rowntree: Yes, I have a few comments. One is that it is my understanding that a combination on various amounts of coverage will be available, contrary to what the hon. member for Riverdale has said, which will lead into the area of taking into account one's own family needs and so on. Much of the material that has been mentioned by the hon. member is before the department at the moment.

There are many different views to take into consideration and I can only assure the House that this is a matter of importance in the minds of the department and that it is a continuing, internal study of the matters involved so that we can adduce and bring forward the most up-to-date and meaningful type of coverage that will meet the needs of society.

Mr. J. Renwick: Specifically, and as the member for Downsview interjected on the very salient point of the optional nature of this feature, is the government going to persist in maintaining it as an optional feature? Or are they prepared to bow to all the weight of evidence in the question of compensation for traffic victims that it should be a compulsory part of the standard automobile insurance policy?

Hon. Mr. Rowntree: That is under consideration.

Mr. Singer: Mr. Chairman, why do we have to consider it any longer? Is not the report of the select committee of substantial significance in the government's mind?

Hon. Mr. Rowntree: On the uniformity basis.

Mr. Singer: No, but Saskatchewan, some years ago, decided that they wanted their own peculiar system of insurance. We have heard many arguments that it is a vastly superior system to any other system. That was their choice and that is their opinion. And surely, if it is the best opinion here in Ontario, that by making this a compulsory part of the standard policy of insurance, there is some sense in Ontario going ahead with it.

Granted that you should co-operate with the other provinces as fully as possible perhaps in determining the exact wording and so on. But what bothers me, Mr. Chairman, is the very careful study that we did here in that select committee and it was an unusually good select committee. It was chaired by the then Provincial Treasurer, the member for Haldimand-Norfolk (Mr. Allan) and it had, on it, two estimable gentlemen, one of whom is now the Minister of Highways (Mr.

Gomme), the other of whom is now the Minister of Energy and Resources Management (Mr. Simonett).

It was a unanimous report, and one would have hoped, in view of the character of that report, and the careful nature of the study that was embarked upon, it was not just something that came up overnight, sir. That committee sat for three years. It travelled extensively to get views in all parts of the country. It sought the opinion, and I think most importantly, sought the opinion of the All-Canada insurance group who said, "Yes, let it be compulsory."

As a matter of fact, it was the draft prepared really by the All-Canada insurance group that forms the integral part of our report. It sought the opinion of a very important committee of the benchers of the law society of Upper Canada, and they came in. I think it was Mr. Robinette, if my memory serves me correctly, who came up and made the presentation on behalf of this group of the benchers of the law society. So I ask the question that I have asked over the many years since 1963, who stands in the way of the unanimous report of the committee and it was not just a sort of fly-by-night committee.

It was an important committee that deliberated long and carefully. The insurance group is not opposed—or so they say publicly. The representative group of the leaders of the bar were not opposed to it. Who is opposed to it? I just cannot understand, Mr. Chairman, why we have not had it, in view of what appeared to be then, and still appears to be, the unanimity of opinion from the usual sources that are consulted in matters of this sort.

Why has it been resisted? When it became the responsibility of the Minister of Transport, I had great difficulty, Mr. Chairman, in following the reasoning of the present Minister of Transport (Mr. Haskett) as to why he resisted it. He ordered another couple of studies, and those were done and there was nothing in those studies that seemed to produce any different results, except for the study of the civil servants. Surely, when we get into a matter of this sort, do we accept only the opinions of the civil servants, or should we not pay more attention to the unanimous opinion of an important select committee, to the opinion of the insurance industry and to the opinion of lawyers?

Now that seems to be the only adverse approach to the whole matter. So what I would like to find out, Mr. Chairman, what I have been trying desperately to find out is —who really is opposed to it? Is it in the minds of government? Is the Premier opposed to it? Is this Minister opposed to it? Why do you apparently discard out of hand, and have since 1963, the opinion of three very important government members?

Why do you discard the opinion of the insurance industry? Why do you discard the opinion of this leading group of lawyers? I think we should get some explanation since we have apparently moved to the point where at least we have decided that this has value on a voluntary basis. Certainly, the committee wanted it on a compulsory basis. Why should we not have it on a compulsory basis?

Hon. Mr. Rowntree: Mr. Chairman, I move that the committee rise and report progress and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: The committee of supply reports progress and asks for leave to sit again.

Report agreed to.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Tomorrow, we will continue with the estimates of this department.

Hon. Mr. Rowntree moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6:00 of the clock, p.m.

No. 144

ONTARIO

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First Session of the Twenty-Eighth Legislature

Thursday, July 11, 1968

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JULY 11, 1968

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon I am sure we are pleased to see visitors in the House and, in the east gallery, we have, students from Oakville-Trafalgar high school, hosting a group of students from the Yukon who, I understand, have been entertained and looked after royally by the young people from the Oakville-Trafalgar school. In the west gallery we have a group of COSTI New Canadians from Toronto.

I am sure we are very pleased to have these young people with us.

Petitions.

Presenting reports.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the annual report of the Ontario water resources commission, 1967.

Mr. A. B. R. Lawrence from the standing committee on education and university affairs, presented the committee's fourth report which was read as follows and adopted:

Your committee begs to report the following bill without amendment: Bill 172, An Act to amend The Schools Administration Act.

Mr. Speaker: Motions.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs) moves that, commencing Monday next, July 15, this House will meet each day Monday to Friday inclusive, at 10:00 a.m., will adjourn for the luncheon interval at 12:30 p.m. and resume at 2:00 p.m.

Mr. D. C. MacDonald (York South): Mr. Speaker, there is one point on which I would like clarification. My understanding, in discussions with the Prime Minister (Mr. Robarts), was that the Friday hours would not change; in other words, they would run from 9:30 to 2:00. As I understand this motion, it is Monday to Friday inclusive, starting at 10:00 and running until—

Hon. Mr. Rowntree: My understanding of it is that tomorrow, being Friday, we will maintain the old hours from 9:30 a.m. until 2:00; but Friday a week hence we would commence at 10:00 a.m.

However, the Prime Minister will be available in a little while and we can, if the hon. member would like to, add the extra half hour—

Mr. MacDonald: My question is not with regard to the extra half hour, but whether the Friday hours will end at 2:00 o'clock. As this motion is put, it is on the same pattern as other days and presumably goes on until 11:00 at night.

Hon. Mr. Rowntree: I think we can deal with that and make the amendment in ample time to meet the situation a week from tomorrow. In the meantime, I suggest we just hold it as it is. The hon. member has noted his reservation.

Mr. MacDonald: I note the reservation, but there was some discussion at some point that we might try to conclude the session by a marathon running through Friday and Saturday to which, personally, if that is what is in the mind of the government, I voice my objection now.

This motion has been rather skilfully framed to leave an open door on the Friday, to run without interruption until we drop in the trenches, so to speak, Friday or Saturday. I voice an objection to it, and, if the House leader is not clear as to what it is, I think we should have clarification, Mr. Speaker, before it is put to the House and voted on.

Hon. Mr. Rowntree: I was not at that meeting, but the motion is in accordance with my understanding of what the arrangement was. If not, we will have ample time—and the member has noted his reservation—to correct the situation for Friday, one week from tomorrow. I will speak to the matter in any event.

Mr. E. Sargent (Grey-Bruce): Is it against the hon. Minister's religion to have a meeting on Sunday?

Mr. Speaker: It would appear that there is no ambiguity or haziness about the motion, which is as follows:

That, commencing Monday July 15, 1968, this House will meet each day, Monday to Friday inclusive, at 10:00 a.m. There will be a break for lunch at 12:30 o'clock, p.m., and we will resume at 2:00 o'clock, p.m.

Motion agreed to.

Mr. Speaker: Introduction of bills.

THE LEGISLATIVE ASSEMBLY ACT

Hon. Mr. Welch moves first reading of bill intituled, An Act to amend The Legislative Assembly Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Welch: Mr. Speaker, the purpose of this bill can be described in three points.

First, it increases the amount of the monthly advance which members can draw on their annual indemnity, and it also provides for the drawing of the annual allowance for expenses on a monthly basis to be actually one-twelfth of the expenses.

Secondly, it permits members to draw their annual mileage allowance in monthly instalments.

Thirdly, it increases the allowance for members for committee work done when the House is not sitting, from $35 to $60 per day for the chairman, and from $30 to $50 a day for the other members of the committees.

The present travelling allowance, for committee members, of $20 a day is replaced with the actual travelling expenses, or 10 cents a mile if the travel is done in a private automobile. So that the allowance of $60 per day for the chairman, and $50 a day for the other members of the committees, as well as actual disbursements for meals, accommodation, and gratuities, will be paid for each day on which members of committee sit, are absent from home and engaged on committee work, or in which they spend travelling to and from committee meetings.

Mr. M. Shulman (High Park): May I ask the Minister a question? Inasmuch as the details of the bill were reported in the newspaper yesterday, I would like to ask the Minister if he would give us the details before the press in future?

Hon. Mr. Welch: Mr. Speaker, if there is any suggestion in the member's question that there was an advance release by the government to the papers, I would like to correct it. I am just as surprised as he is that some of the contents of this bill appeared in print prior to my introduction today.

Mr. Speaker: The Minister of Correctional Services.

Hon. A. Grossman (Minister of Correctional Services): Mr. Speaker, before the orders of the day, I wish to announce the establishment at the Whitby jail of a screening and custodial unit for adult female offenders. The ten-bed unit will provide a controlled, maximum-security setting for the assessment and treatment of female offenders who are either unwilling or unable to function in a relatively open setting.

The utilization of existing facilities at Whitby for these purposes is an example of the increased flexibility within the recently integrated correctional system. Since my department assumed full responsibility for all jails in the province, professional staff from the Mercer reformatory complex have been conducting preliminary screening of some female prisoners at the Metropolitan Toronto jail. The new unit is being set up in preparation for the opening late this year near Brampton, of the Vanier institution for women, which will provide a "cottage-type" setting. The Vanier institution, which will replace the Mercer reformatory, will have no maximum security facilities.

Assessment and treatment services for women placed in the Whitby unit will be provided by professional staff from the Vanier complex. The aim of the staff will be to encourage inmates to work for admission to the programme at the Vanier institution. Transfer to these facilities will be arranged when deemed appropriate by the professional personnel.

I should state that experts in the correctional field agree that some inmates among institutional populations are unable to cope with the degree of responsibility and freedom implicit in the type of open-setting rehabilitation programme planned for Vanier institution. This small group can disrupt such programmes to the detriment of the majority of responsive individuals. On the other hand, some of the most difficult inmates tend to respond well to treatment in a maximum security setting.

I should also add, Mr. Speaker, that the Whitby jail is one of the newer jails with

more modern facilities, having been built in 1958.

Mr. Speaker: The member for Humber.

Mr. G. Ben (Humber): Mr. Speaker, I want to rise on a point of order, if I may. It is unfortunate that on two occasions I was not in the House when somewhat I deem to be grossly inaccurate statements were made with references to speeches I was alleged to have made in this House.

Now we have *Hansard* in the House. It works on a tape recording system, and I always recognized it as being a principle accepted by this House that you are not to use unedited statements of *Hansard* as being the official version; that the official version; of *Hansard* is that which is finally printed by the printing company and distributed to the members.

Yesterday, Mr. Speaker, getting close to 2:00 o'clock, I was approached by the hon. member for High Park, and he showed me an article from the *Telegram* of—

Mr. Speaker: Order, order. I believe the member is going to mention something which he and I discussed in my office this morning, and I think this is not the time—it should not be mentioned until later this afternoon.

Mr. Sargent: Let us hear what he has to say.

Mr. Ben: No, I am not going to discuss anything.

The hon. member for High Park handed me an article dated Wednesday, July 10, and drew my attention to a statement in there which said: "George Ben, Liberal MPP for Humber, challenged him to repeat outside the Legislature—"

Mr. Speaker: Order: This is the exact point which—

Mr. Ben: It is not the exact point.

Mr. Speaker: Will the member yield me the floor? This is the exact point, and I have arranged for the member for High Park and the member for Humber to join the chairman of the committee of the whole House, and myself, and to hear the tapes as to what exactly was said. I think that both the members would be on much sounder ground in discussing the matter in this House if they waited until after that event and tomorrow morning there should be every opportunity for the matter to be discussed with both members having knowledge of what was said.

Now that was what I thought both members understood this morning or at noon. If they do not, and the member still wishes to proceed with the matter, that is quite in order, but I think it would be much wiser for all of us if we waited until we heard what the tape does say about what transpired at that time.

Mr. Ben: I am sorry, I am not interested in what the tape says because I am not dealing with the tape, Mr. Speaker, and I ask your indulgence to hear me out. The hon. member asked me if I had made the statement which I just finished reading to this House. Now this statement deals with insurance company profits, and I had not recalled making such a statement. I told the hon. member that I did not recall making such a statement and that he ought to look in *Hansard* and whatever *Hansard* said I said, I said.

Now, Mr. Speaker, I find out subsequently in reading *Hansard*, which I said you should not be reading—that is the unexpurgated edition—that the hon. member was in fact referring to a statement which appeared in the *Telegram* of July 9, or the previous day, which, in fact, properly quoted me as saying that I did challenge the hon. member to repeat his comments outside the Legislature where he would have no protection against legal action.

That statement was made in this House. As a matter of fact, it engendered a lot of comment both from the government side and from the party to the left. As a matter of fact, the hon. leader of the NDP got up and asked me if I was protecting or defending the insurance companies—that statement was made.

Now as far as the other one is concerned, Mr. Speaker, that is something you discussed—whether in fact I had made any statement about the insurance company—

Mr. Speaker: The member is quite right.

Mr. Ben: I am prepared to let that bide, listening to the tape, but what I am distressed about, Mr. Speaker, is the degeneration of the morals of this House when it comes to making statements.

During the war, there were many people here who were commissioned officers and everybody said you became an officer and a gentleman by virtue of the Queen's commission. Many were not gentlemen but the fact is that most of them acted like gentlemen because it was expected of them. Now here we are referred to as hon. gentlemen, or hon. members. Perhaps there are some in this

House that do not fit that particular appellation.

The fact is that they are obliged to try to act like gentlemen. There have been too many half-truths in this House; this House has been degenerating into a bunch of rabble. When I talk about half-truths, a good example is the one that I spoke of the other day where a statement was made that so much was taken in in premiums, and only so much was paid out in claims, leaving the implication that the difference was in profit; those are half-truths.

That is like saying, "I counted three legs on that dog that just went around the corner." And then, when you catch the dog, you say, "Look, there are four legs on this dog, how dare you say this dog only had three legs?" The man says, "I did not say he only had three legs, I said I only counted three and if I only want to count the three, that is my business." That is the way the party to our left operates, those are the kind of things they come out with.

Mr. Speaker: Order!

Interjections by hon. members.

Mr. Ben: I think it is time that an end was put to this kind of nonsense. There has been a statement made that certain parties ought to be called before the bar—especially Mr. Bassett. I did not know he drank, but if they want to bring him before the bar that is their business.

Mr. Speaker: Order. May I ask the—

Mr. Ben: In fact it may be that a lot of other members ought to be hauled up before the bar—the so-called bar—and we might have a better House, and there might be more truth spoken in this place.

Mr. Shulman: On a point of order, if I may say a word, I have expressed in some detail—

Mr. Speaker: The member did not raise a point of order, he was raising a point of personal privilege that he had been misquoted and, therefore, that point is not a point of order for debate. If the hon. member for High Park has a point of order or a point of personal privilege I will be glad to hear it.

Mr. Shulman: Well, I understood him to say a point of order, sir. If I heard wrong, I would like a question of privilege.

There are two matters referred to here, one which I raised yesterday and I have sent a letter to you, which I presume you have, setting out in detail the complaints which I had about the reporting in the *Telegram*. I think I should leave that to your consideration and to be discussed at a later time as you have suggested.

Regarding the other matter referred to by the member for Humber, unfortunately the member was not in the House when I read the articles which I had referred to, I believe it was yesterday, from *The Financial Post* and *Telegram* which I referred to the night before as to the profits of the insurance companies. I read those articles in full, in the House.

You suggested, sir, I believe, or the Chairman suggested, that the member read *Hansard* to see if the matter was correct. I presume the member has not as yet had a chance to do that and I would like to state that there were no half-truths given in that statement. I quoted exactly both *The Financial Post* and the *Telegram* as to the profits made by those companies.

Mr. Ben: Mr. Speaker, on a point of order, and I make it a point of order because you already informed this House earlier this session that there is not such a creature in the rules as a point of privilege, that you have to rise on a point of order. All right then, I am wrong, but I read from *Hansard*.

Mr. Speaker: Will the member place his problem before the House?

Mr. Ben: All right. I will read from *Hansard* of July 10:

> **Mr. Shulman:** Mr. Speaker, I am rising on a point of personal privilege. One of the important privileges of this House is the right to a fair reporting.
>
> Yesterday, I rose in the House in connection with the Toronto *Telegram* of Tuesday, July 9 and a particular quote which I referred to at this time was: "Dr. Shulman did not reply to a challenge from George Ben, Liberal, Toronto Humber, a lawyer, to repeat some of his comments outside the Legislature where he would have no protection against legal action."
>
> I protested yesterday in committee that this interchange had never occurred and the member for Humber had never made such a request, and I added however, if any member wished me to repeat my speech outside the House I would be pleased to do so.

This is the statement that was made in *Hansard* yesterday.

I say I was not here when the hon. member made the statement the day before yesterday. But I did, in fact, make the statement he says I did not make, that is, challenging him to make statements outside the House.

Mr. Speaker: Well, perhaps the member will desist.

Mr. Ben: Now if everything does not turn out. Not all of the interjections are marked, Mr. Speaker.

Mr. Speaker: Order! Now we are getting back into the matter where I thought we had an arrangement existing between the two members and myself and the Chairman of the committee of the whole House that we would get sorted out, I hope this afternoon. I have listened to the tape and there will be no question in anybody's mind when the tape is heard by these members and the matter can then be dealt with afterwards.

The member for Riverdale (Mr. J. Renwick) has a question.

Mr. Ben: Sorry, I have another point of order, Mr. Speaker.

I have taken the position that one ought not intentionally or otherwise to mislead the House. The other day, when I was speaking on air ambulances, I suggested that the radio stations in Metro Toronto which do operate helicopters for traffic reports ought to convert these helicopters to air ambulances or at least convert them to take litters. Now, in making such a statement I implied that no helicopters were so equipped.

I have been informed that CKEY, which owns their own helicopters, in fact, has converted their helicopters to carry litters in order to be able to co-operate with the Hospital for Sick Children which is constructing a heliport on the top of its building.

I wanted to make that correction because implication was there that none of these ambulances were in existence when, in fact, they are.

Mr. Speaker: The member for Riverdale has a question from yesterday.

Mr. J. Renwick (Riverdale): Mr. Speaker, I have a question for the Minister of Municipal Affairs. If, as is expected, a vacancy occurs in the aldermanic representation of ward 3 in the city of Toronto, is there any way under The Municipal Act in which a by-election may be held in that ward to fill such vacancy? If not, will the Minister introduce legislation immediately to enable a by-election to be held?

Hon. W. D. McKeough (Minister of Municipal Affairs): Mr. Speaker, there is no provision in The Municipal Act which would permit a by-election to be held where a vacancy in the office of alderman or councillor occurs. Such a vacancy would be filled by appointment, by the council, under section 150, subsection 3, of The Municipal Act as the Act now stands. This would also be the situation under section 150, subsection 3, as amended by section 7 of Bill 155 which has had third reading.

Mr. J. Renwick: Mr. Speaker, I wonder whether the Minister would answer the second part of the question.

Hon. Mr. McKeough: Well, Mr. Speaker, I would say this. I am aware of what I read in the paper. I have not had any representations or resolutions from the Toronto city council or, for that matter, from any other municipality in the province, to suggest that there should be by-elections to fill these kind of vacancies; nor have I heard from either of the principal municipal associations—the Ontario municipal association, or the association of Ontario mayors and reeves. Now if, as and when we receive requests from the city of Toronto, or the other municipalities, or from the association, they will always receive the courteous attention which my department generally gives those resolutions.

Mr. D. A. Evans (Simcoe Centre): All part of the friendly service.

Mr. Speaker: The Minister has answered.

Mr. J. Renwick: Mr. Speaker, I take it that the Minister's answer was "no".

Mr. Sargent: Mr. Speaker, I had a question that was submitted to the hon. Prime Minister—

Mr. Speaker: Order. We have now passed that order. The Prime Minister not being present, we—

Mr. Sargent: The House leader is here!

Mr. Speaker: The question is addressed to the Prime Minister. It is not to be asked unless he is in his place. We have already passed to another order of business. The member is out of order.

Mr. Sargent: You are very presumptuous! Mr. Speaker, the House leader has the right to answer this question and I would like to put it to him.

Mr. Speaker: The member is out of order.

Mr. Sargent: I bet you are too, sir.

Mr. Speaker: If the member wishes to challenge my ruling it can be put to the House.

Mr. Sargent: What good would that do? You have control.

Mr. Speaker: That is what the Speaker is for, to have control of the House.

Mr. Sargent: Maybe we can change it some time.

Mr. Speaker: Orders of the day.

Clerk of the House: The 5th order, committee of the whole House, Mr. A. E. Reuter in the chair.

THE WORKMEN'S COMPENSATION ACT

House in committee on Bill 150, An Act to amend The Workmen's Compensation Act.

Sections 1 and 2 agreed to.

Interjection by an hon. member.

Mr. Chairman: I presume the member for Riverdale is suggesting the Chairman was going a little too fast?

On section 3:

Mr. J. Renwick (Riverdale): Just getting the book out, Mr. Chairman.

Mr. Chairman: The Chairman does not mind waiting for a moment.

Sections 3 to 6, inclusive, agreed to.

On section 7:

Mr. M. Makarchuk (Brantford): I have an amendment to section 7, and it is moved by myself, seconded by the hon. member for Oshawa (Mr. Pilkey) that subsections 1 (c), (d) and (e), and subsections 3 (a) and (b) of section 7 of Bill 150, An Act to amend The Workmen's Compensation Act, be amended by changing the figure $125," wherever it occurs, to "$300," and the figure "$275" to $450"; and by adding to subsections 1 (d) and (e) the following words, "or as long as the child is attending an educational institution," so that the amended sections shall read as follows:

1. (c) Where the widow or invalided husband is the sole dependant, a monthly payment of $300.

Subsection (c) Where the dependants are a widow or an invalided husband and one or more children, a monthly payment of $300, with an additional payment of $50 to be increased upon the death of the widow or the invalid husband to $60 for each child under 16 years, or as long as the child is attending an educational institution.

Subsection (e) Where the dependants are children, a monthly payment of $60 for each child under the age of 16 years, or as long as the child is attending an educational institution.

3. (a) Where the widow or an invalid husband is a sole dependant, $300.

(b) Where the dependants are a widow or an invalid husband and one or more children $300 for the widow or the invalid husband, with a further payment of $50 to be increased on the death of the widow or the invalid husband to $60 for each child not exceeding in whole $450, or;

(c) Where the dependants are children, $60 for each child, not exceeding in the whole $450.

Mr. Chairman: May I point out to the member who has presented this motion that the motion has the effect of increasing an amount of money and is therefore out of order?

A motion cannot be accepted to increase the amounts set forth in the Act; not from a private member.

Mr. R. Gisborn (Hamilton East): Mr. Chairman, I do not know whether we can agree with that proposition in regard to the workmen's compensation board benefits or not, and I think we should have a ruling.

I understand that the workmen's compensation board is a creature of this Legislature and that being a creature of the Legislature, then we have the right to make amendments and to make propositions in regard to benefits. I understand that the chairman of the compensation board is given his position under an order-in-council to the Lieutenant-Governor which sets out at his pleasure.

Mr. Chairman: Is the member speaking to the Chairman's suggestion that the motion was out of order?

Mr. Gisborn: Yes.

Mr. Chairman: I am informed by the Clerk that the motion now is in order because it is not a vote controlling the expenditure of public moneys. So the motion is in order.

The Chairman apologizes to the committee.

Mr. Makarchuk: Mr. Chairman, If I may speak to the motion.

The purpose behind the motion, Mr. Chairman, is a straight matter of keeping in step with the increasing cost of living. Under

the changes in The Compensation Act, the widow will receive $125 a month to live on. Now, I do not have to elaborate in any great detail to any member of this House that you cannot live on $125 a month, and the purpose of the increase to $300 is to be more realistic to provide proper compensation in cases where the chief wage-earner in the family has died as the result of an industrial accident. The argument is advocated at times that this would put a greater load on the employer who has to pay for this compensation. To this I would like to say that in my mind, and I think, in the minds of a lot of people who have attended industrial accident prevention association meetings—they have come back from these meetings convinced that the employers can do a lot more within their plants to cut down the accidents. I think that, if anything, besides providing proper compensation for the widow, this will also force the employers to take strong action within their particular factories or plants, to cut down the accident rate.

The idea of providing compensation for a child who is attending an educational institution again, of course, is common sense, that as long as the child is going to school or university he has no parent or no wage-earner at home; he has absolutely no source of income, and no one to support him And again we feel that the board should provide this compensation to the child in the same way as a parent. If the father were there, then naturally he would be able to provide support for the child to continue his education, and we expect the compensation board to do the same thing.

Raising the level of the final figure from $275 to $450 again, this is in keeping with the present cost of living, and the various social agencies in Toronto and other places in the province will tell you, Mr. Chairman, that $125 or even $275 is not an adequate amount for a family to exist, particularly if they have a home, have mortgage payments to meet, and have to provide all the necessities of life. So this is the whole purpose behind this particular amendment, to bring it in line with the existing cost of living.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, we, of course, intend to support this amendment when it comes before the House. It is our experience as individual members that many of the payments which come under the workmen's compensation board are inordinately small. We recognize of course, the responsibility that any changes in payment make to the rates of the premiums. The part of the amendment that I believe has some special application, as well as providing financial relief as has been indicated, is the continuing support for children beyond the age of 16 years who are still in school.

I think that we are aware of the circumstances where young people, doing well in school, have been forced by family financial difficulty, to withdraw and undertake employment well before they should have been faced with this important decision. I think that in many cases the community steps in and provides this assistance to permit the young person to continue, particularly if he is doing well in his academic studies. We should be moving away from this kind of community responsibility, fine as it is. The wording of the statute itself should require the board to continue payments for as long as the young person is continuing to be gainfully employed, as it were, in his continuing education.

Mr. Chairman: The member for Oshawa.

Mr. C. G. Pilkey (Oshawa): Mr. Chairman, I would like to make a couple of comments on the amendment, but before I do, and with your permission I would like to make a brief comment, without wanting an amendment, on section 6, even though it has been adopted. I would urge the Minister again to look at this question of the employer having the opportunity to make the request for review. I just make that comment before I talk on the amendment, on section seven.

I would like to say that I support the amendment on the same basis as my colleague from Brantford, because I believe that survivors should be maintained in the station of life to which they are accustomed. Here we have an employee who really pays the supreme sacrifice with the forfeiture of his life, and then we ask the surviving spouse and family to reduce their standard of living, after he has lost his life. I say that the payments to the surviving dependants of a workman, should have the same relationship to his earnings. Obviously with $125, and a maximum of $275 a month, this person who survives, and her dependants, could very well be looking for public assistance or charity to maintain the same standard of living to which they were accustomed while the man was working. In addition to that, the child under the age of 16 is the only person covered as a dependant. After

the child becomes 16 years of age, or older, he is no longer recovered under the Act, and my colleague's amendment says that as long as the child is attending an educational institution, or school. Now, I would like to point out in this regard that the province of Ontario would not be blazing out any new trails in this regard.

British Columbia, Quebec, New Brunswick and the Yukon already have that type of legislation, which goes on to say that they will continue payments where the child attends school. So I urge upon this Legislature and the Minister—

Hon. D. A. Bales (Minister of Labour): Mr. Chairman, I wonder if I could point out something for the hon. member, because I am sure that he would want this information. If he would look at section 37(2) of the present Act, it says:

> Where, in the opinion of the board, the furnishing of further or better education to a child appears advisable, the board in its discretion may, on application, extend the period to which compensation shall be paid in respect of the child, for such additional period as is spent by the child in furthering or bettering of its education.

Mr. Pilkey: I appreciate what the Minister has said, but this is not as a matter of right. It becomes a discretionary power with the board. Now, Mr. Chairman, I submit that this should be a matter of right. If the child is attending an educational institution or school, the payments should continue, and I do not think that anybody should have jurisdiction over that in a discretionary manner. This is the reason why I support the amendment. I appreciate what the Minister said with regard to section 37, but I do feel that this section should be changed, and in view of that, I support the amendment.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I would like to lend my support to the amendment as proposed by the member for Brantford. I think that it is a forward step, and certainly puts this section of the Act onto a more realistic footing. However, I do not think that simply because the individual is attending school, this consideration should be given. I think that it should apply only in the case of a successful attendance, so that they are not simply occupiers of a place in the school. I would prefer to have the member include some suggestion whereby the individual is obtaining some kind of value from his education.

However, I am still disturbed by the fact that the amendment limits the financial benefits to three children. The widow who may have more than three children is being penalized, and I do not think that she should be. There should be no limit to the number of children for which the widow can obtain benefits. I heartily endorse the legislation, and I think that the amendment is a forward step.

Mr. Chairman: The member for Hamilton East.

Mr. Gisborn: Mr. Chairman, it was pointed out quite clearly by the parties of the Opposion as to the miserable amount allowed under this section of the Act, and it is very clear that the amounts set out have been allowed or arrived at by looking at the amounts allowed under welfare programmes. I want to submit as others have, that we have an altogether different situation in applying income to people in this field of compensation through injury or death in industry, than we have in the other fields. Admittedly, as far as we are concerned, the allowances under the family social benefits are too low, but nevertheless, they are there.

When we look at the difference between the two cases, people arrive at their position who need benefit under the social and family benefits for various reasons, over lengthy periods. But in the case of the loss of a husband through an accident in an industrial plant, it is a different situation. You have in this case, a family who have perhaps built the home that they desired, and taken out a mortgage, which entails substantial payments, and they have established a standard of living and a social life. They are preparing to send their children through higher areas of education by funding moneys, and are using the credit unions to establish and keep up their standards of living. And at one fell swoop, within minutes, the widow is told that her husband has been killed in an industrial accident.

She is then immediately reduced in income to the amount provided by the Act, and a sort of dislocation occurs that would be hard for the average person to imagine. So we think that in this area, in regard to workmen's compensation, the widow should be given an income that will provide something at least close to the standard which she has been used to.

Let us look at the difference in allowable benefits. If we take the recommendations of the Metropolitan Toronto social planning council, for a widow at home they recommend she should have nothing less than $130 a month, plus $12 a month for the dental costs, and different kinds of nursing she may need, outside the specific medical coverages—and they are not included—which we submit come to something like $21.70 a month. In this regard the workmen's compensation board provide a flat $125 a month, and the social and family benefits provide $105 now as a total.

Under the social and family benefits, if we go to the extreme of the widow with four children over 16 years, the maximum is $211 plus $95 for rent, and $10 allowance for an insurance policy if they have an insurance policy in force to keep up those payments. Of course, that is reduced if the children are under the age of 16; and in that area of four children depending, for example, if they are under nine years of age then the allowance is a maximum of $159 with the same amount for shelter, plus the $10 if they have an insurance policy in force. They do not give $10 to take out an insurance policy, only to carry the payments.

If we look at the Metro Toronto social planning council recommendation for a widow with four children, a girl aged six, a girl aged 15, a boy aged 10 and a boy aged 13, they recommend as their minimum $411 plus $44 for those necessities in the health lines that are not covered by the Ontario hospital services commission or OMSIP. Then again you have to add the $21.70 a month to that figure. If we look at the allowance under the workmen's compensation for the same situation, it is $325 a month; and for the family and social benefits under this government's programme, $283 a month.

So I think that the amendment is reasonable; it does not come up to my expectations. I know you have to be responsible in making straightforward amendments to an Act of this nature, and you have to beg for some considerations through the reasonableness of that amendment.

In my own feeling I would think that it should be a flat $5,000 a year minimum for any widow whose husband has been taken through an industrial accident, and then graded on up from there. That would then say they could establish a decent standard of living and not reduce their standards below what would be considered a fair level.

Mr. Chairman: Any further debate before the Minister? The member for High Park.

Mr. M. Shulman (High Park): I would like to ask a question of the Minister. I received a letter yesterday from a widow who enquired of the compensation board when she would be receiving a larger allowance. And she received a letter back stating that she would not be eligible for the larger allowance because her husband had not worked for the company for more than 12 months. I do not see anything in the Act to say that this is so. Is that an error on the part of some individual?

Hon. Mr. Bales: I am not familiar with that.

Mr. Chairman: I must point out to the member, and to the Minister, that the question posed by the member for High Park may be quite valid in requiring an answer, but I respectfully suggest that it has nothing to do with the amendment to this bill that is before us.

Mr. Shulman: Well, I do not want to disagree with you, sir, but if this raise only applies to some widows I suggest it has something to do with this amendment.

Mr. Chairman: Perhaps the member should phrase his question in a little different manner, because specifically as he put it, it has nothing to do with this section.

Mr. Shulman: Then let me rephrase the question. Does this raise apply to all widows of persons who have died under compensation, or are there exceptions who are not to receive this raise?

Hon. A. Grossman (Minister of Correctional Services): Will that make any difference in the way you vote?

Mr. Shulman: It will make a little difference in the way you act, I hope.

Mr. Chairman: The Minister. I believe the question is not properly expressed.

Hon. Mr. Bales: Mr. Chairman, where a widow is entitled to a pension under The Workmen's Compensation Act, we have made the increased pension applicable to those who are presently receiving pensions and to the future cases as well. I see no reason for the kind of situation that you envisage. If you care to give me that letter I will look into it and deal with it.

Mr. Chairman: Does the Minister have any comments on the motion before the House?

Hon. Mr. Bales: Yes. If there are no other members speaking first.

Mr. Chairman: There is not. The Minister may reply.

Hon. Mr. Bales: Mr. Chairman, in dealing with the amendment presently before us, which has the effect of increasing the widows' allowances above the provisions in this bill of $125 a month to the larger figure and also making some additional provisions in the reference to children. Under the McGillivray report the recommendations are that increased pensions should apply to those instances where widows become eligible for these allowances in future. The government has taken the position that these allowances and as we have incorporated them in the bill should apply to all widows' cases, whether they are receiving widows' allowances at the present or not. The estimated cost of the overall benefits that are proposed under the Act for future cases amounts to just over 7 per cent above the present charges. But when we make the widows' and children's benefits applicable—

Mr. G. Ben (Humber): How much is that in dollars and cents?

Hon. Mr. Bales: One per cent in workmen's compensation charges amounts to about $1 million.

When we make it retroactive—in other words apply it to those presently receiving widows' and children's allowances, it adds another 5 per cent, so that the total increase we estimate for the future will be about a 12 per cent increase. And all of this is paid for by the employers, not by the employees themselves.

But I think we have to bear these matters carefully in mind: The allowances as we have now provided under the bill become the highest in this country. This is not itself the sole criterion, but I think it is a good basis on which such pensions and allowances can be judged.

We have to also bear in mind that these are not necessarily expected to be the widows' sole income. In a great many cases there are insurance policies through union agreements and personal and company arrangements. We would like to see the widows receive as large an amount as is reasonably possible and this is our intent under this Act. We have increased the widows' allowance from $75 to $125 a month, which is, I believe, a very substantial increase. Over the years, the allowances have been increased very substantially and this is another large increase.

In reference to the education of children, the section that I referred to earlier, section 37, subsection 2, covers this. I may say that the procedure under that section at the present time is that a statement is obtained from the school where the student over 16 is attending and sets out the course taken. That is the basis on which the board continues the allowances to that student so long as they are in school.

There is very little in the way of supervision, though we believe, and we want to know and the board wants to know, that the student is actually at school and taking a course helpful in future training.

For these reasons, Mr. Chairman, we believe that the level the allowances have been increased to under the bill before us are sound and that the employers can reasonably pay the costs involved. We believe that the amendment should not be supported.

Mr. Shulman: Mr. Chairman, if I might just ask you a further question leading from the Minister's remarks. Does the continuing assistance for students go on indefinitely as long as they are properly at school in recognized courses?

Hon. Mr. Bales: Yes. They are usually in high school at that point, and the allowances continue as long as they are taking some reasonable course and the allowances can go on if they change to another school. Then there is another application.

Mr. Nixon: Or to university?

Mr. J. Renwick: I have one question to the Minister. The Minister stated that it is not intended necessarily to be the sole income of the widow. It is a very interesting statement, but does the Minister have any statistical information as to the number of widows who will benefit by the minor increase which the government is prepared to grant, who do not have any other form of outside income? Otherwise I do not think that the Minister should make that kind of general statement because most workmen's widows, in the kind of accidents which are compensable, do not have outside incomes so far as I know unless the Minister can give us statistical information about it.

Hon. Mr. Bales: Mr. Chairman, I cannot give you actual figures here today but in many cases, we have found that the widow is in receipt of insurance or other benefits on the death of her husband. It may not be a continuing income in the form of an annuity but, in many cases, though not all by any means, there is insurance and frequently it is provided through arrangements by the employer or through the workman himself.

Mr. Chairman: The member for Brantford—and I might say the seconder is not required in committee—the member for Brantford moves that subsection 1, subsections (c), (d) and (e) and subsections 3 (a) and (b) of section 7 of Bill 150, An Act to amend The Workmen's Compensation Act, be amended by changing the figure $125 wherever it occurs to $300, and the figure $275 to $450 and by adding to subsections 1 (d) and (e), the following words: "As long as the child is attending an educational institution". And there follows a recitation of how the Act would read with these amendments.

Those in favour of the motion will please say "aye"; those opposed will please say "nay".

In my opinion the "nays" have it.

Call in the members.

Mr. Chairman: All those in favour of the motion of the member for Brantford will please rise.

All those opposed to the motion, will please rise.

Clerk of the House: Mr. Chairman, the "ayes" are 38, the "nays" 47.

Mr. Chairman: I declare the motion lost.

Mr. Nixon: Mr. Chairman, on a point of order, I do not believe we can let this go by without objecting to the inefficient way the government undertakes votes in this House. It is an inefficient method of taking a vote.

Mr. Chairman, the bells have been ringing for 40 minutes on a straightforward, routine committee vote. I have no idea what difficulties you had in assembling your members, but it—

Interjection by hon. members.

Mr. Nixon: I am on a point of order and I would like to complete it.

Interjections by hon. members.

Mr. Nixon: I would like to complete my point of order. Now, Mr. Chairman, during some of the looser comments of a few moments ago—

Mr. Chairman: May I respectfully point out that the point of order raised by the leader of the Opposition was out of order in committee. It cannot be dealt with by this committee—the method of summonsing the members for a vote. We are dealing only with this particular bill.

Mr. Nixon: I would say, Mr. Chairman, that surely, as a member of this House, I can express my objections to the inefficient way the House leader is conducting government affairs?

Mr. D. C. MacDonald (York South): Mr. Chairman, I have a brief comment to make on this point of order.

When we were debating—

Interjections by hon. members.

Mr. Chairman: Order, please. May I say to the member for York South that the Chairman did rule that the leader of the Opposition was out of order. He continued to make his point—

Mr. MacDonald: In meetings among the party leaders, when we were discussing how we were going to handle this, I sought a 20-minute maximum—

An hon. member: Bully for you!

Mr. MacDonald: —and the leader of the Liberal Party opposed it and wanted it flexible. We are the victim of a decision of both of the old parties.

Hon. Mr. Grossman: Mr. Chairman, you are allowing discussion here.

Mr. Chairman: Order, please!

Interjections by hon. members.

Mr. Chairman: Order, please! I suggested to both members that the points of order raised were out of order. I say to the Minister that any further discussion on that particular point is out of order as well.

Mr. E. Sargent (Grey-Bruce): The government is out of order, too.

Hon. Mr. Grossman: On a point of order, Mr. Chairman, it is most unfair. I have attended this House every day for many months and we have two members of the NDP who come in here, at the cost to the taxpayer of $22,000, just for this vote. It ill behooves the leader of the party to criticize us for this.

I waited for at least four months for these two members to come in here. They will probably be gone again after the vote.

Interjections by hon. members.

Mr. Chairman: Order, please!

The leader of the Opposition, the leader of the New Democratic Party and the Minister of Correctional Services have each spoken out of order and there will be no further discussion on that patricular point.

Mr. Nixon: Mr. Chairman, on a point of personal privilege.

I cannot permit the statement of the member for York South to remain unclarified. I do not feel that the rules of this House should be inflexible, the way the member for York South likes them. I believe that the government should be acting in an appropriate, efficient way to conduct the business of the House, which it is not.

On section 8:

Mr. Chairman: The member for Oshawa.

Mr. Pilkey: Mr. Chairman, I would like to move an amendment—

Interjections by hon. members.

Mr. Chairman: The Chairman says to the committee members that as soon as they are through fooling around we will get back to the business of the House. I put it up to you.

Mr. Pilkey: Mr. Chairman, I would like to move an amendment: that section 8 of Bill 150, An Act to amend The Workmen's Compensation Act, be amended by changing the figure "75" to "85", to that the amended section shall read:

> Where temporary total disability results from the injury, the compensation shall be a weekly payment of 85 per cent of the workman's average weekly earning and payable as long as the disability lasts.

It is moved by myself and seconded by the hon. member for Brantford.

I want to point out in this section that, when the Act was first introduced back in January of 1915, the percentage was 55 per cent. Five years later it was amended to 66⅔ per cent, and that percentage was maintained in all Canadian provinces for approximately 25 years.

There was a suggestion then that it be raised. There was some opposition at the time on the grounds that if it was raised beyond the 66⅔ per cent there would be a lot of malingering of employees and there would be a possibility of some fraud. In any event, at that time the compensation percentage of benefit levels was changed to 75 per cent.

I might point out to this House that the question of malingering and fraud just did not come about. Most people, injured workmen, really want to work. They are not looking for anything in terms of welfare or charity. They want to continue as a wage earner, but it is impossible because of their injury and disability.

So, therefore, it is my opinion that we should be making an attempt to get the benefit level with the employee's earnings. Again, I raise this question of the level. At 75 per cent the level does not give the injured employee and his family the same standard of living that he enjoyed prior to the injury.

I recognize there would be no income tax or unemployment insurance or transportation costs to and from work, and I submit, Mr. Chairman, that 85 per cent would be relatively close to 100 per cent, after deductions, on the question of the net pay of the employee. That is why I present the motion in the form that has taken place. It is in this regard that this House ought to support this kind of a motion.

Again, I want to say that we ought to be maintaining the economic standard of living, or the station they are accustomed to, in life as a wage earner. This is really a denial of that—by keeping the percentage rate at the present 75 per cent. I suggest to you, Mr. Chairman, that really this is a penalty on the majority of the wage earners in this province who do have an injury and have to accept compensation benefits.

I urge the House to accept this amendment and put those disabled workers in relationship to their earnings prior to the time the injury took place.

Mr. Gisborn: Just a brief comment.

I support the amendment, of course, and one of the standing arguments by industry, and Mr. Justice McGillivray, in regard to increasing the percentage payment, was that the amount they receive is tax-free. But they forget to mention the fact that the employee has to pick up the full amount of any welfare benefit costs he may have in the industry.

In one industry in Hamilton, that amounts to about $300 a year. The contract, of course, calls for the employer to pay an amount of that benefit while the employee

is working, but when he is off, he has to pay the whole amount, which would cost him $25 a month.

Now, he has to keep it up. He cannot allow sick benefits, such as Ontario hospital insurance and his medical coverage and his pension plan and his weekly indemnity, to go behind. So it is not a basic argument to say that he does save his income tax on it; he has to make up the difference and in that plant it is $300.

I would like to ask the Minister a question aside from the amendment, if we are keeping in line with his own amendment. He has changed the section requiring the amount to be based over the average earnings over a 12-month period. Now he has changed it to be calculated on the weekly average earnings.

I would ask him if he would explain how this could be calculated in regards to incentive pay? In many industries they have the basic earnings and they have the incentive rate that will fluctuate almost every week. Will they strike an average of the incentive on the particular week on which they are basing it, and over so many weeks? On what basis will they ascertain that he is being paid what would be considered an average wage, if the week that he was injured in and on which the calculation is made is a low week.

There are many weeks when there are changes in operations—where he would be only making his basic rate, rather than the increment on a job classification rate, or his tonnage rate.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, we in this party will support the amendment. We think it is a forward step.

There is one area that I would like the Minister to clear up and that concerns his explanation to section 8. That is, the basing of the pension, or the basing of the payments, on an average earnings over 12 months being now removed.

Will this take into consideration the earnings of an individual including overtime, or just the basic amount of the 40-hour week? If you do include overtime and some of the other things that the previous member has mentioned, it could have a sizable effect as to the amount of the compensation that the individual could possibly receive.

Mr. Chairman: Any further comments? The member for Niagara Falls.

Mr. G. Bukator (Niagara Falls): Mr. Chairman, the problem that the injured person has to contend with occurs when he is recovering from the injury, through some method that is not clear to me. The workmen's compensation board decides to cut the individual's grant or payment by way of dollars—and I guess, percentage too—and giving him a portion of money as partial compensation for the injury. In other words, the man does not become as well after he was hurt as he was before the accident. And they decided then not to give him the 66⅔ per cent that he was receiving—or with this bill, if it is passed, 75 per cent. I hope the amendment carries to give him the 85 per cent.

The problem that the individual has to contend with—I realize the Minister of Labour smiled at me, and I do not think he has any right even to consider that as being something that is not a good and fair request of this government, because industry pays the shot and I know how they pay it and I know why they pay it and the workmen are entitled to it. What happened in this case, Mr. Chairman, is that the man is injured. He gets 66—or let us say this bill passes—he gets 75 per cent of his wages, and through some peculiar method the workmen's compensation board cuts that man's income or payment because they feel he has partially recovered. That man cannot live. In one particular case I speak of, a man got his income cut back to $27 per week; he has a family with four children and there is no possible way of this man getting a job because he is permanently injured. In my opinion he ought to get the 75 per cent; he was injured on the job. That man should be maintained by that industry until he can go back to work as well as he was before, or that pension should continue.

This bill does not do that. If they continue to pay the 75 per cent—and I would like through you, Mr. Chairman, to ask this Minister if this section means what it says, that as long as he continues to be off of the job, he will get the 75 per cent. At least if he gets that, it is a step in the right direction. I would like that question answered, and if that bill is not broad enough to do that, it does not cover the problem at all.

Mr. Chairman: The member for Oshawa.

Mr. Pilkey: Mr. Chairman, the hon. member for Niagara Falls raises a point; as a matter of fact, it is a very valid point concerning one of the very serious omissions in this amendment to the Act. I would hope, along with the hon. member for Niagara, that this did cover those people who had a partial disability and where their benefit level has been reduced to 50 or 25 per cent. I must agree with him that if an employee is okayed for light work and then finds his benefit reduced to 50 or 25 per cent, this puts him at a real disadvantage because obviously the employer does not want him back either.

Mr. Bukator: And he does not get the light work.

Mr. Pilkey: Pardon?

Mr. Bukator: And he does not get the light work.

Mr. Pilkey: That is right, because there is no light work in the industry. So he is at a real disadvantage. I would echo the member's sentiments and I would wonder if this section is going to be applicable or are they going to continue the partial disability as they have in the past; is this section going to cover that situation?

Mr. Chairman: Perhaps the Minister could reply at this time.

Hon. Mr. Bales: Mr. Chairman, there are a number of matters I would like to deal with and if there is no other member going to speak on this matter I will deal with them all at this time.

First of all, in the matter of the percentage payments, this section has been provided to reduce the calculation period from 12 months to a much shorter period. It is taken now over a period of four weeks so that the—

Mr. F. Young (Yorkview): It does not say that.

Hon. Mr. Bales: I realize that, but it is drafted on this basis so that the period can be made flexible. We have reduced it from 12 months so that we take into account, over a shorter period of time, that the worker's earnings may be at a higher level. Certainly it includes his overtime. It includes his incentive payments whatever they are, which might bring it up to a total income of $7,000 in the year. This section does not deal with partial disability but with total disability for a temporary period. It is not on the basis of partial disability, but rather total disability for a temporary period of time.

The other point that I would draw to your attention is that this is 75 per cent of his wages. And this is free of income tax. Under this arrangement his compensation is free of income tax, and he is free of certain normal expenses that all of us would encounter going to and from work and other matters. It works out very close to his total income on that basis, in a great many cases. But I would stress that this is on temporary total disability not partial disability.

Mr. Chairman: The member for Sudbury East.

Mr. E. W. Martel (Sudbury East): Mr. Chairman, I wonder if I could get some information. When a pension is reduced or a payment is being reduced to 50 per cent, am I to believe that this practice is going to be discontinued, that there will be no reduction to 50 per cent, as is the case at the present time?

Hon. Mr. Bales: Mr. Chairman, that is under partial disability. We are dealing here on the basis of temporary disability and not partial disability for a protracted period of time.

Mr. Chairman: In other words, as I understand it, the hon. Minister's reply indicates that section 8 deals with temporary total disability and there is no reference in this section for partial disability.

Mr. Bukator: Mr. Chairman, just to get an answer to my question: I have in mind a case of temporary total disability; the man recovers partially; then is his payment graduated down because of his partial recovery?

Hon. Mr. Bales: Mr. Chairman, if he were partially disabled permanently—then he would be rated permanently and he would receive compensation at a definite rate, once it was established. But this section is on the basis that he is temporarily injured and cannot work, so he receives temporary total disability for a period of time.

Mr. Bukator: Then nothing has changed except the percentage of 66⅔ per cent to 75 per cent?

Hon. Mr. Bales: It has been 75 per cent. What we have done in this amendment is to reduce the calculation period from 12 months to a period of four weeks, so that a man earning a higher rate of pay than he was a year ago will receive a correspondingly higher amount.

Mr. Bukator: In other words this law falls, in my opinion, very short of the mark, because nothing has changed. People in partial disability are not getting what they are entitled to. This is the point that I was trying to make.

Mr. Chairman: The member for Oshawa moves that section 8 of Bill 150, An Act to amend The Workmen's Compensation Act, be amended by changing the figure 75 to 85, so that the amended section shall read:

> Temporary disability resulted from injury, the compensation shall be a weekly payment of 85 per cent of the workman's average weekly earnings, and is payable as long as the disability lasts.

All those in favour of the motion will please say "aye".

Those opposed will please say "nay".

In my opinion, the nays have it.

Call in the members.

Mr. Chairman: Those in favour of the motion will please rise.

Those opposed to the motion will please rise.

Clerk of the House: Mr. Chairman, the "ayes" are 35; the "nays" are 49.

Mr. Chairman: I declare the motion lost.

Section 8 agreed to.

On section 9:

Mr. Pilkey: Mr. Chairman—

Mr. Chairman: On section 9?

Mr. Pilkey: No, not on that.

I just want to make a point that I have one other amendment on section 11 and I would suggest that maybe we could expedite things if everybody stays.

Mr. Nixon: Mr. Chairman, if the hon. member for Oshawa is making a point for information or otherwise, I would suggest that if, in fact, the NDP does not want a recorded vote then they do not have to rise to have the members come in. But to suggest that the same vote be taken when we look across and see so many empty seats I feel is really unreasonable.

Hon. Mr. Grossman: We can see a lot of empty seats on the other side.

Mr. Nixon: We are prepared to vote our members. If you do not want to vote, do not stand up.

Mr. Pilkey: I just asked—to the hon. leader of the Opposition—I just meant that they stay. I mean there is no use everybody going out and then coming back in.

Mr. Chairman: Order, order!

Shall section 9 stand as part of the bill?

Section 9 agreed to.

On section 10:

Mr. Makarchuk: Mr. Chairman, I have an amendment moved by myself that subsection 1 of section 10, of Bill 150, An Act to amend The Workmen's Compensation Act, should be amended to read as follows:

> Where a permanent disability results from the injury, the impairment of earning capacity of the workman shall be estimated from the nature and degree of the injury and the compensation shall be a weekly, or other periodical payment, during the lifetime of the workman for such other period as the board may fix, of a sum proportionate to such impairment not exceeding in any case the like proportion of 85 per cent of the average current weekly earnings in the industry or occupation, or during the previous 12 months, or such lesser period as he has been employed, whichever is the greater.

The purpose behind this amendment, Mr. Chairman, is to provide compensation, or adequate compensation, for individuals who have been injured in industrial accidents 10 or 15 years ago, and, as an example, they are getting compensation at 75 per cent of what they were earning at that particular time. As a result, you have people who are incapable of working and getting compensation of roughly $20, $30 or $40, which is certainly not adequate for present day cost of living. The purpose of this particular amendment is to bring these people in line with the earnings in the industry and in line with the current cost of living.

Mr. Chairman: Any further discussion on the amendments? The member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, we in this party will support the amendment. We would have liked to have seen it follow the same suggestion that the Minister made when he amended section 8 by changing from a 12-month period to a four-week period, and we think that in this case the previous 12 months of the second last line would have been better

had it been changed to a four-week period, but we will support the amendment.

Mr. Chairman: Does the Minister have any comments?

Hon. Mr. Bales: Mr. Chairman, I appreciate the amendment they are making, but I think it is made under the wrong section.

Mr. Sargent: Section 10.

Hon. Mr. Bales: But under the provisions of the section the pensions are computed in the future. Now under the section the present pension payments are remaining the same, we are not changing those. It will apply to future accident cases and provide increased payments based on increased earnings from $6,000 to $7,000, but we are not making this provision retroactive or changing compensation that has already been established. We are dealing here with very large sums of money which come from the payments from the employers, and we are increasing benefits for the workmen themselves by shortening the waiting period. For this and other reasons, we do not believe that the amendment should be adopted.

Mr. Chairman: The member for Hamilton East.

Mr. Gisborn: Mr. Chairman, I would like an explanation from the Minister in regards to the explanatory note referring to this section. The explanatory note at the bottom of page 6 says, "The amendment provides that compensation for permanent disability is payable whether or not there is any lay-off from the work due to the injury."

Now that seems to be the difference. Do I take it that this calculation will be made as spelled out in the section, the whole section, where the employee was injured, but at no time did he lose time from work, though the injury left him with a permanent disability of some degree, whereby he would be entitled, because of the impairment, to a pension? Is that the intent of the change in this section?

Hon. Mr. Bales: If a person is permanently disabled, even though he may not be away from work for a period of time, compensation is payable under this section.

Mr. Chairman: Those in favour of the motion please say "aye".

Those opposed will please say "nay".

In my opinion the "nays" have it.

I declare the motion lost.

Call in the members.

Mr. Chairman: Those in favour of the motion will please rise.

Those opposed to the motion will please rise.

Clerk of the House: Mr. Chairman, the "ayes" are 35; the "nays" are 49.

Mr. Chairman: The motion lost, and section 10 forms part of the bill. The Minister has an amendment to section 11.

Hon. Mr. Bales: Mr. Chairman, I am moving an amendment to section 11 and, coupled with it, is an amendment to section 23. The reason for this is to clarify the sections so that it states clearly, under the bill, those sections that are retroactive and those that are not. I believe you have a copy of the amendment and I would read it in reference to section 11. I move that subsection 2 of section 11 be struck out.

Mr. Chairman: It is moved that subsection 2 of section 11 be struck out.

Motion agreed to.

Shall section 11 as amended form part of the bill?

Motion agreed to.

Mr. Pilkey: Is this where I speak if I want to make an amendment on section 11?

Mr. Chairman: Subsection 2 has now been deleted.

Mr. Pilkey: Right. Well, I want to make it on subsection 1.

Mr. Chairman: All right, the motion will be in order.

Mr. Pilkey: Moved by myself that subsection 1 of section 11 of Bill 150, An Act to amend The Workmen's Compensation Act, be amended by deleting all of the words after "remunerated" in the third line, so that the amended subsection shall read:

> Average earnings shall be computed in such a manner as is best calculated to give the rate per week or month at which the workman was remunerated.

Mr. Chairman, the precise reasoning for fixing a maximum in this area is not really clear to me, and I believe that the remarks made by the Minister when he said in a reply to the hon. member for Hamilton East that overtime and incentives would be calculated in

terms of the benefit level. What they are determining as the benefit level, really, is meaningless to many workers in this province.

If we have a maximum of $7,000 for the level to make this calculation, and I submit to you that the overtime incentives do not mean too much, there are many workers in this province that are earning in excess of $7,000 per year, and what this really means is that a worker, as an illustration, earning $8,000, $9,000 or $10,000 a year, can get a maximum benefit of $5,250 per year.

I want to suggest that this again is a curtailment of that employee's or that worker's income to the extent that it retards his standard of living, and that this is a serious attempt to limit his compensation. It is wrong, and does create a severe inequity.

Mr. Chairman: Order, please!

The Chairman would like to point out to the member that the motion in its present form does not indicate the intention. In other words, it is meaningless. If I may just read it to the member: "Average earnings shall be computed in such a manner as is best calculated to give the rate per week or month at which the workman was remunerated."

Mr. Pilkey: Right.

Mr. Chairman: What does that mean?

Mr. Pilkey: Beg pardon?

Mr. Chairman: What does that mean?

Mr. Pilkey: Well, it means there is no limit, that we have now eliminated the $7,000 level. He is paid at the rate that he was remunerated at the time of the disability. In other words, if he was remunerated at a salary of $8,000 to $10,000, you would make the calculation on that basis; not $7,000.

Mr. Chairman: Yes. But it does not so indicate. It does not so indicate.

Mr. B. Newman: The first paragraph should be changed if the member—

Mr. Chairman: Perhaps we could straighten out with the member what his intention is?

Mr. Pilkey: Well, I thought it was very clear. By not having any limit—

Mr. I. Deans (Wentworth): Mr. Chairman, it is an exact copy of the wording of the bill, leaving out the proviso for a maximum payment. It is just an exact word-for-word copy of the bill, taking out that portion that says "but" not "so", in any case.

Mr. Chairman: If I might point out, the wording is: "In a manner as is best calculated to give"; I mean all you have to do is take the previous week's earnings.

This gives you nothing; but it is entirely up to the member.

Mr. B. Newman: Mr. Chairman, in the first paragraph of the bill as presented to us, on the second last line you have, "in lieu of $7,000". I think the change should be in that case, rather than in the subparagraph 1.

Mr. Deans: Mr. Chairman, speaking to your ruling, it says in the bill at present "average earnings shall be computed in such a manner as is best calculated to give the rate per week or month at which the workman was remunerated that—"

It goes on then to say "but" not "so". Now, quite obviously, one should be able to stop at the point of exclusion in any paragraph.

Mr. MacDonald: If your point is valid, Mr. Chairman, the Minister's amendment is meaningless, because I suggest that what we have deleted has no reference to what we are leaving. All it does is to eliminate the maximum.

Mr. Chairman: The Chairman is satisfied if the member introducing the new motion is satisfied. It just does not seem to make any sense to us here.

Mr. MacDonald: Well, if you really think it is meaningless, you had better take it up with the Minister because it is his amendment that we are leaving.

Mr. Chairman: No, I put it up to the member who is making the motion to be satisfied. We will debate the motion then. In the bill itself, it does stipulate the amount at which the calculation will be determined to a maximum of a certain amount of money. This tells you nothing.

Mr. Nixon: Mr. Chairman, the maximum was referred to twice, so we would support the removal of the maximum, but it appears, in the preamble to section 11, and the numbering here is a bit confusing for me, but there are two paragraphs listed in brackets, one which, I think, works out in the long run, but the change from $6,000 to $7,000 really does appear twice, where the amendment removes it only once.

Mr. Pilkey: In this subsection, I have got the numeral one there twice; so that I am talking about both the sections. You see where I have one twice?

Mr. Nixon: Yes, but the actual change in wording refers only to the one.

Mr. Chairman: The Chairman is quite satisfied to accept the motion as it is, if the member is satisfied.

Mr. Pilkey: Subsection 11 (1)—the first (1)—really, is only explaining as to how 11 (1) will read.

Hon. Mr. Bales: Mr. Chairman, the hon. member has proposed an amendment which has, in effect, removed the ceiling. I think that is his intention.

Mr. Pilkey: Right!

Mr. Chairman: Those in favour of the motion? Any further comment on the motion? The member for Hamilton East.

Mr. Gisborn: Yes, Mr. Chairman, I support the amendment.

I think the Minister has caught the drift that the intent of the amendment is to remove the ceiling in regard to the calculation of the amount of money being paid. At the present time with the ceiling at $7,000, it is certainly discriminatory.

What we are doing in the province is establishing two classes of workmen. We have one workman whose salary would, on a yearly basis, reach the $7,000 mark and, if he got his 75 per cent, then he would be getting $5,220 a year. But if the other workman's salary exceeded that amount, he then has a reduced percentage of income. Some of them could be reduced to 50 per cent—in a very easy calculation—of what they were making.

In heavy industry today the bargaining unit rates run up as high as $14,000 a year and certainly the industrial workers, as in any other segment of our society, have established certain standards of living. To be injured in a plant and have your wages cut by legislation is a burden that should not be suffered by the workman. I do not think there is any need for us to establish a different class of citizen in the province in regard to this kind of payment.

I am not sure whether the fees paid by industry, based on the $100 of payroll is paid strictly in that sense—on every $100 of payroll. If that is the case, then certainly the fund is being boosted because of the rates in that particular industry. I am under some apprehension that that fact is taken into account on the payroll—I am not sure, the Minister may advise me as to that. Nevertheless, it would be very easy to change the calculation on the fee necessary to be paid by the industry to cover the amount of money necessary to pay each workman his 75 per cent calculated on his weekly or yearly remuneration.

Mr. Chairman: The member for Wentworth.

Mr. Deans: Thank you. Mr. Chairman, speaking in support of this amendment I would say, from my observations, that the majority of workers earning in excess of $7,000 are doing work of a hazardous nature. Many—not the majority, but many—workers earning in excess of $7,000 are actually doing work of a hazardous nature, particularly in heavy construction. It seems ludicrous to expect that they would have to suffer some additional cutback in earnings because their work is more hazardous, and because they are more prone to injury.

Generally speaking, a workman lives up to his earnings. The home that he purchases today is, generally speaking, in a range that would require him to have more than $5,000 a year in average earnings in order to make his payments. I can see no reason why it is necessary to set a limit of any kind.

Workmen's compensation should be based on compensating a workman for injury incurred in doing the job that he was supposed to do. He should be compensated in relation to the earnings that he would normally have received.

Mr. Chairman: Any further discussion? The member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, just a few comments on section 11. We will support the amendment, by the way.

It is our thinking that compensation should always be based on earnings and there should be no limit as to what the base should be. In today's industrial society, and especially over the last six or eight months, we have seen the demands for wage parity with our brethren in the United States. As a result, we find that $3 an hour is not an uncommon wage, or will not be an uncommon wage, to be receiving in industry. At $3 an hour you would find the individual, without any overtime, making well in excess of $6,000 a year, so that the figure of $7,000 as being the maxmum in today's industrial society is not realistic at all.

I cannot see why an individual who receives some type of compensable injury should have his compensation based on a maximum when his earnings may be in excess

of the maximum amount set by the government.

Mr. Chairman: Would the Minister like to comment before the motion?

Hon. Mr. Bales: Mr. Chairman, in working out anything in reference to compensation we must be able to calculate the basis on which the charges can be made. Here we have a maximum raise from $6,000 to $7,000. Over the years the figure has gradually been raised. It started initially at $2,000. Fixing the figure at $7,000 is largely in line with what Mr. Justice McGillivray recommended in the report. More than that, it is substantially above the average earnings of the claimants under The Workmen's Compensation Act.

Certainly there are workers, covered by workmen's compensation, whose salaries may be substantially above the $7,000, but this is well above the average. You will also find that many of those who are in the higher categories have accident insurance as well, so that there is additional compensation and protection for them.

More than that, here we are dealing not only with a matter of compensation. In addition to that, there are the medical payments, which are frequently very substantial, and they are over and above moneys that may be actually paid to that person for his own livelihood in the way of compensation.

Mr. B. Newman: It would be covered under OMSIP or some medical plan. Anyway, they would pay nothing, would they?

Hon. Mr. Bales: Not necessarily, but the workmen's compensation board pay the medical payments on this and pay very high payments as well.

Again we come back to that same point, that this money—the compensation portion—is free of income tax charges, which is substantial.

Mr. Chairman, I oppose the amendment and I would urge the government and the members to oppose it.

Mr. Chairman: The member for Hamilton East.

Mr. Gisborn: Mr. Chairman, before we proceed with the vote, will the Minister explain again the reasons for the deletion of the second part of this subsection 2?

Hon. Mr. Bales: Yes, Mr. Chairman.

When I moved that amendment, I explained that there would be an amendment to section 23, which I will bring in. That deals specifically with certain sections which apply to present claimants and others which provide benefits after August 1. In order words, it is a way of clarifying the original bill.

I think that when you see section 23—and I could read it now, if it would be of any assistance—but the two sections go together, to clarify the situation.

Mr. Chairman: Those in favour of the motion will please say "aye."

Those opposed will please say "nay."

In my opinion, the "nays" have it. I declare the motion lost.

Section 11, as amended, agreed to.

Section 12 agreed to.

On section 13:

Mr. Pilkey: Mr. Chairman, on section 13.

I notice that in the explanation of this section, it says: "provision is made for the repair or replacement of clothing worn, or damaged, by reason of wearing an artificial member."

Could I ask the Minister, when an employee is injured on the job and a lot of his clothes have to be cut away, is there no provisions under The Workmen's Compensation Act to give remuneration in respect of the clothes he was wearing at the time?

Hon. Mr. Bales: This section applies over a longer period of time, where, by reason of an artificial limb, clothing might wear out.

If his clothing is damaged at the time of the accident, I assume that this is looked after as well. That is an isolated case.

Sections 13 to 17, inclusive, agreed to.

On section 18:

Mr. Makarchuk: Mr. Chairman, regarding section 18.

Will the Minister advise how he intends to implement section 18, where it says: "and may require the employer to establish one or more safety committees at the plant level."

Would the Minister indicate why this is not a definite order for the plant to establish a safety committee?

Hon. Mr. Bales: This section applies in cases where an industry is paying additional charges because of a higher rate or frequency of accidents than is normal for that

type of industry. I think that the member will appreciate that this is the kind of situation wherein the board must assess the situation. If it would be helpful in their view and in the view of its safety officers to establish a committee, then it will be done. But I think that to impose it unilaterally in all instances would not necessarily be the most helpful approach, and this is a step that we dealt with quite extensively in the standing committee, and it is a new and, I think, very wise approach. We should, however, leave some flexibility in the matter.

Mr. Makarchuk: Mr. Chairman, suppose the employer decides that despite the fact that after your investigation you have come to the conclusion that a safety committee would be useful in that particular plant, but the employer decides he is not going to do anything about it, are you in a position to take any action against the employer?

Hon. Mr. Bales: Yes. The committee can be established under these circumstances under the provision of the bill. If the board feels that it would be helpful and advisable, then there will be a committee.

Mr. Chairman: The member for Hamilton East.

Mr. Gisborn: I do not see how the Minister can say that it would not be beneficial to make it compulsory upon industry to establish safety committees, when it has never been tried yet in the province. We have evidence through British Columbia legislation, and we have well documented evidence in the 1950 Roach report on workmen's compensation, in which one of the firmest recommendations was mandatory safety committees to be so established as to have equal representation. Further, he suggested, to establish as the requirements of the committee, that certain numbers of meetings should be held. The minutes of the meetings should be sent to the Minister of Labour or his agent to ascertain that the safety committees were functioning in a manner so as to reduce injuries in the plants.

Now, the wording here does not mean anything, and I for one certainly think that the time has come, if we are going to give more than lip service to our efforts to reduce accidents in the industries, that we will have to establish a relationship between management and labour. We just cannot go along with the business approach that it is their sole responsibility to regulate the safety programme in their plants.

I have had a lot of experience in this field. It does not work because it builds a block between the employees, the unionists, and the people designated as safety officers in the industry. I think that it is about time that we made some effort to persuade industry, either by mandatory legislation or some stronger legislation—rather than the words used by the Minister that "we do not think that it would be beneficial because we have not tried it. We have to try something. Let us move in the direction of establishing effective safety committees and make them work well, supply meeting minutes, and have so many meetings a month. We must find out what is going on in the plants, because I have had experience of dealing with safety committees in the union hall, where the employees say that it is just a farce. They go to these meetings and they are paid to attend them on company time, they raise all kinds of problems with the foreman, and the first thing you know he is off the subject of safety and hazard on a particular job and into the realm of safety shoes, and safety glasses, and punching in on time, and watching that you do not trip across the tracks when you are going into the plant, and so on.

If we are going to talk about reducing accidents we have to make it madatory that safety committees be established and that they have a specific function. The Department of Labour should know what goes on, particularly in most of the heavy industry.

Mr. Chairman: The member for Sudbury East.

Mr. Martel: I think that the Minister of Mines (Mr. A. F. Lawrence) would appreciate an amendment like this, substituting "must" for "may," because we have had a substantial amount of discussion in the House on companies like Dravo, and McIsaac, who refuse to get involved in any type of safety, and where they do not have safety teams, and so on. I believe that if we had safety committees where the problems could be aired, it would reduce a high fatality rate in the mining construction industry as such, today. I would ask the Minister to consider the substitution of the word "must" for "may," to prevent the injuries that are occurring in the mining and construction industries today.

Mr. Chairman: The member for Timiskaming.

Mr. D. Jackson (Timiskaming): I feel that I must be a little stronger, because I do not believe that the present safety committees

operate efficiently. My former employer was extremely safety-conscious and we had a good committee. We set down a lot of rules and regulations that were extremely effective, except that on certain occasions, such as major breakdown in the plant, the safety rules went out the window. If we followed the safety rules, it slowed us down in maintenance operations, and the company attitude was that if we could bypass a safety rule, and gain an hour, well, we would forget the safety rule.

I believe that if we are going to have committees at work, then they should be supervised by the department, who would lay down specific guidelines that would have to be followed, and that no matter what excuse the company had or what excuse a man had, the rules must be followed each and every time. Something else that has bothered me, and everyone else who has worked in a plant, is: Who decides what a situation involving safety is? The company comes along and says it is safe to work there. The man says it is not. Who decides? It usually ends up with the company saying that it is safe, and if you do not do it, you are automatically suspended. Now, without specific guidelines from the department, or someone with authority, this means that the man will work in an unsafe area or on an unsafe job many times when he knows it is unsafe because he has no choice. He either does that job or he does not work. And I cannot stress too much that this department has an obligation to the worker in this country and in this province; he has an obligation to set down specific guidelines and make those guidelines concrete so that they cannot be passed by or forgotten about by the company. Put them into rules and regulations that must be obeyed.

Mr. Chairman: The member for Oshawa.

Mr. Pilkey: Mr. Chairman, I want to say first of all that, as I said in the committee, this is a step in the right direction. And I want to commend the Minister for at least going this far. Obviously, I do not think he has gone far enough in terms of setting up safety committees but at least it is a step forward. I recall that during the Hogg's hollow incident, this government set up a Royal commission under Mr. McAndrew, I believe, and he said at that time that there needs to be a more effective co-ordination for accident-prevention work. And then Mr. Justice Roach, as my colleague from Hamilton East pointed out, went on to say, "My first criticism of the present system is that it does not provide any means which will ensure the act of participation of labour in the work of accident prevention." Mr. Roach said that; and this was some time ago; and now we finally see the Minister bringing in this type of recommendation.

As I said, it does not go far enough because in my opinion there needs to be a full participation at all times in this area of accident prevention, not only where you have incidents of accident upon accident before we take this kind of action; it should be implemented from the very beginning because, as we prevent accidents, obviously there is a greater relief on the burden on the compensation fund. And I think this is what we are all looking for, not on the basis of really providing 85 per cent and raising the levels and all of those things. The real crux of this problem is the question of accident prevention, and as we prevent accidents then we get at the crux of the problem. And I say that this section is, in my opinion, more important than any other section.

Now, as you recall, and I say this to the Minister through you, Mr. Chairman, during the debate that we had in committee, a Mr. Perry got up. I do not know what his position is but I suggest that he has something to do with the mining industry and probably has a lot to say in the mining industry here in the province of Ontario. And, as you recall, he opposed this resolution.

I want to suggest to the members of this House that the reason that Mr. Perry opposed this resolution, even though it does not go as far as I think it should, was because they want sole jurisdiction in this area of safety so that they can work employees regardless of the safety provisions in his industry. And this is why he opposed it.

I suggested in this House, during the labour estimates on the question of safety, that the employers in this province will oppose the question of accident-prevention and, as a matter of fact, will take a strike on this issue before they will do anything about it. Because they want to have sole jurisdiction in determining how employees are going to work, whether it is safe or unsafe in those plants. And so this is important. If the employers in this province are not going to take the bull by the horns and alleviate this type of situation, then government is going to have to take the action necessary to provide the safety for the employees in this province.

And I want to say, as the hon. member for Timiskaming pointed out, that employers in this province will discharge an employee who refuses to work in an unsafe condition. And let me tell you what happens in that case. Assuming that I work in industry, and I say, "Look at that, it is not a safe condition." I say that to my supervisor. Now he says, "Look, as far as we are concerned, that is a safe condition, you go ahead and work." And I refuse to work.

Then I am penalized to the extent that I am discharged for refusing to obey the orders of the supervisor. And what happens is that this corporation, because it jealously guards this area, will take you all of the way, right to the arbitrator. When it gets to be a question of credibility on whether my word is as good as the foreman's, I find myself invariably discharged.

And so we have employees that have no redress, except going through all of the grievance procedures inflicted by the agreements. But if we had committees set up in the plant that had equal employer-employee number, then, at least, I think the employees would have someone to appeal to there, at the plant level. They could at least take their case up with that committee. In addition to that, the committee could make periodic surveys of complaints and areas that they think are unsafe so that these questions can be brought up in joint discussion with the management and the employees of that plant. So this is very important, this question of safety committees, as far as I am concerned, and I am sure as far as this party is concerned. We have to have a joint effort between the employee and management because this is the only way, in my opinion, that we are going to get at the crux of the problem—the problem that of accident prevention.

Mr. Ben: Mr. Chairman, please forgive me if I get up and say, "I told you so!" But those members who sat here two years ago may recall that on that occasion I had, shall we say, a difference of opinion with some members of the party, and it had to do with industrial safety. On that occasion, I was so bold as to suggest that the unions were abdicating their responsibility in matters of industrial safety by refusing the suggestion that every shop steward ought to be a safety inspector. As a matter of fact, the NDPs at the time, particularly the hon. member for Scarborough West (Mr. Lewis), asked whether I was speaking for the party or whether my colleague, the hon. member for Etobicoke (Mr. Braithwaite), was speaking for the party. I suggested at that time that every shop steward should be a safety inspector, and that his job would be to make reports daily on the safety features of the plant, and send one copy to the employer, one copy to the province of Ontario, and one copy—where construction is involved—to the local municipality, keeping one copy for himself.

Mr. Young: The trouble is he has no power.

Mr. Ben: Well, he is the safety inspector. Now he does this every day. That would then throw the burden on the employer because he is a qualified and a recognized safety inspector, even though he is also the shop steward, and he has stated in writing that there is a dangerous situation on that job. The onus would then be on the employer to prove that it was not, and if anybody would have to set up a committee, it would be him, because the burden would be on him, on the employer.

And I think, under those circumstances, you would find that employers would not hesitate very long in setting up these so-called safety committees. But, as I pointed out at that time, presently, if an accident occurs, the unions can always blame either the employer, or the government, or the municipality. They do not want the shop stewards to be safety inspectors because then the onus would be thrown on them.

So, in the meantime, people continue to be hurt and killed in industrial accidents because, I suggest to you, the unions have been avoiding their responsibilities. They should have been fighting for years to have the shop stewards appointed safety inspectors on these jobs.

Mr. Young: How can they be responsible when they have no power?

Mr. Ben: Well, just a moment, Mr. Chairman, there is an interjection there from the hon. member for Yorkview, who said the inspectors hold no power. If they are safety inspectors, then they must be vested with the power of a safety inspector, or else they should not be called a safety inspector. So why talk that kind of nonsense?

Mr. Deans: Mr. Chairman, I want to ask the hon. member for Humber a question. This would be all well and good. It is a wonderful thing to talk about, but what about all of the plants that are not yet organized? What about the plants which do not have shop stewards? What about the shop steward who puts in such a report, indicating that there are hazardous conditions and then conditions are made so intolerable for him that

he is unable then to put in such a report again? I ask him those three things.

Mr. Ben: Well, first of all, I think, at one time in this House, I said that a sign of a paranoiac is the fact that you cannot distinguish between a possible and a probable. The member who just rose is talking about hazards. Life is a hazard; every plant has hazards in it; every job entails a risk, but is it a danger to the man or is it a safe place to work in? For instance, if you work in a plant where an overhead crane is continuously moving from one end of the building to the other, it is a risky place to work because you could possibly be struck by a crane which was not properly operated, but on the other hand, it is not a dangerous place to work in. It is a risky place to work in if the crane is in the wrong hands.

There are not many plants which do not have shop stewards in them, but the fact is that even the members over there have to admit that practically 99 and forty-one one-hundredths per cent of the construction field is unionized. Mr. Chairman, you have not a building going up in this city at the present time—a commercial building—that is not being put up by union labour.

You go to any large plants who employ over 30 or 40 people where any risk is involved, they are almost completely unionized.

About the only field that is not unionized at the present time is that of the white-collar worker, or in the white-collar area. I would say you have only about a handful of firms of any size where any risk is involved that are not unionized.

Mr. Pilkey: Mr. Chairman, let me just for a moment talk about this question of plant safety, in-plant safety, and a steward taking the authority.

I have been a steward—I do not know of any position I have not held in the trade union movement—but, as a steward, let me tell you that we are really powerless. What is needed is some recognition of the company in this area of safety.

What is the steward going to do? Is he going to bring it to someone's attention? They are just not going to do anything about it anyway, because it is not recognized in the collective bargaining agreement.

I am suggesting to you, Mr. Chairman, that had we pressed this point in 1967 with the General Motors Corporation they would have taken a strike on it before they would have been broken down in this area. Every employer jealously guards that area of safety as their sole jurisdiction and they will fight it. And what we need is this type of legislation that is presently being brought in, and as I said, it does not go far enough.

But what is the steward going to do? First of all, is he going to go through the grievance procedure—which takes months—that this is an unsafe condition and in the meantime someone is injured? Is this what the hon. member is suggesting?

Mr. Ben: Not through grievance, but through a complaint to The Department of Labour here in Toronto that there is an unsafe condition in the plant. What has it got to do with grievance procedure?

Mr. Chairman: May I ask what grievances have to do with this particular section of the bill?

Mr. Pilkey: Mr. Chairman, now he suggests we send letters all over the place while somebody is working in an unsafe condition.

I do not know how long that is going to take, with letters flying all over the place. We need some immediate action when the problem is brought up, and the way we are going to do it is through a joint committee.

There must be some recognition by the employers in this province that there are unsafe conditions in their establishments. That is what we have to have.

Sure, we do this—what the hon. member points out. I suppose in my local union, in local 222, we have a great file of letters we have sent to The Department of Labour indicating unsafe conditions. By the same token, his field representatives have been in that plant, and I suppose they have been in every plant, but there are times when there are immediate situations that we need to get on to, and we cannot afford delays.

What are we going to do, wait until someone is killed or seriously injured before we take some action? I am suggesting to you, Mr. Chairman, this is the direction that we have to go in.

The unions have not abrogated their position in terms of safety—as a matter of fact, I do not know of an organization that is more safety conscious than the unions. The hon. member knows Jerry Gallagher has shut down many jobs in the province of Ontario in regard to safety; he just closes them down. He has been criticized front and centre for closing those jobs down, but he does it anyway.

Is that the action that is necessary? Does the trade union movement in the province of

Ontario have to shut every job down because of unsafe conditions? Is this what he is advocating?

I suggest to you, Mr. Chairman, and to the Minister, that this is not the way to attack it. This is not the way to attack them. Let us get the proper representation, so that there is equal representation and accident prevention is strictly enforced. Then we will be eliminating some of these strike situations that prevail.

Let me say this, that if the industrial unions in this province started to close the plants down because of unsafe conditions, then there would be strikes in this province every day of the week.

Mr. Ben: Is it not a fact that a safety inspector can issue a stop work order—is that a fact or is it not?

Mr. Pilkey: Why does the member not direct the question to the Minister?

Mr. Ben: The member for Oshawa is the one who is misleading the House, not him. Can a safety inspector issue a stop work order?

Mr. Pilkey: I suspect that he—

Mr. Ben: The member does not know. So what is he talking about, if he does not know? I will ask someone who does, then.

Mr. Pilkey: Well, ask the Minister.

Mr. Ben: I will ask the hon. Minister.

Can a safety inspector issue a stop work order if he deems the circumstances to be dangerous?

Hon. Mr. Bales: Mr. Chairman, I think we are getting somewhat off the point in reference to this matter. We are dealing with workmen's compensation and for the last while we have been dealing with industrial safety matters. I appreciate it is all in reference to safety generally, but the point we must bear in mind is that the employer is ultimately responsible for safety and for the operations within his plant.

There has been a good deal done in the last while in reference to safety matters and the workmen's compensation board devotes a good deal of money to the establishment of safety committees and other matters to improve the safety record. To cite one particular case, the construction safety association has established an advisory committee in the last few months, and brought the employees into that committee.

This is a gradual process that we are encouraging, and I think we are going to make far greater progress in this field rather than legislating that we must bring in a safety committee in every situation. We are trying to use flexibility and common sense in this field and I think we are making progress.

The industrial accident prevention association has, in the last three months, established another type of committee where they bring the employee representatives into their groups and work out ways and means of greater co-operation in this field.

Section 18 is to provide arrangements whereby the board can establish a safety committee in a plant that has more than the normal frequency of accidents for that particular type of industry. It is not a voluntary arrangement. The board can tell the employer it has to be done.

I think that this legislation—this section—is making good progress in this field and I think it is wise to leave it at that point, at the present time. But I would also tell the members that my department, and certainly the workmen's compensation board, are very cognizant of the dangers and the difficulties, and we are trying to do all we can to improve the safety situation. Therefore I recommend that the amendment should not be supported.

Mr. Chairman: Section 18?

Mr. Ben: Is it, or is it not, a fact that a safety inspector can issue a stop work order if he considers the situation dangerous?

Hon. Mr. Bales: We are trying to confine the remarks mainly to The Workmen's Compensation Act, but under The Industrial Safety Act, we have inspectors and they can issue a stop work order in certain circumstances.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, I would like to make a few comments on this, because I think that this section of the Act is probably one of the more important sections. We were to pay heed and be extremely safety conscious, all of us, then more than likely a lot of the problems that arise as a result of industrial accidents would not be there in the first place.

I think both industry and labour are extremely conscious of the need to emphasize and to press for safety and safety procedures. Indicative of that is the fact that the various members in the House representing labour have shown how concerned they were in their

own areas—in the mining field and industrial occupations.

We have an industrial accident prevention association that has been doing a good job. Mind you, in any job that is done there is always room for improvement and I would sincerely think that the industrial accident prevention association is always forward to improving their own status, as well as the safety of the individual that is involved.

I do not think anyone concerned or anyone could possibly say that either labour or management is abdicating their responsibility for safety. I think they are all concerned. Maybe not concerned as to the extent that they should be in some instances, but I do not think that management wants to see their employees hurt. Likewise, I do not think that labour wishes to see either their own employees or management hurt as a result of unsafe practices. They both want to eliminate as many of the unsafe practices as they possibly can. In fact, I would say they want to eliminate all of the unsafe practices.

However, the explanatory note, Mr. Chairman, on the side here simply mentions the board is authorized to require. Now by that explanatory note, you would draw the conclusion that an employer must establish safety committees at the plant level. But that is not what the actual amendment says. It says, "May require the employer to establish one or more safety committees at the plant level."

So your explanatory note, in my estimation, is not correct. It is misleading. I think we have to get to the point not where we may require, but must require. We have to use compulsion when it comes to safety. We have got to sell and sell safety at all times, both from management level and labour level.

Mr. Chairman: Section 18?

Mr. Jackson: Mr. Chairman, I could speak for hours on this because I believe industrial safety is something very close to my heart.

Mr. Chairman: As the Minister has pointed out, the discussion for quite some time has been centering around labour standards, industrial safety and so on, and I have to point out to the committee that this section 18, which is an amendment to The Workmen's Compensation Act, deals only with the matter of the board being authorized to establish a safety committee.

Now I think we have had considerable and extensive discussion around the whole matter of safety and I think that any further discussion should be centered upon the actual section 18 of the bill.

Mr. Jackson: Mr. Chairman, if you had given me one more second, I would have said that I can speak for many hours on it but, however, I am going to limit it to urging the Minister, through you, sir, to step up the speed, accelerate the programme so that what he started out to do is done a little quicker, a little faster and it becomes more efficient a little sooner.

Mr. Chairman: Section 18? The member for Hamilton East.

Mr. Gisborn: Mr. Chairman, I agree with you; we should stick to this section and its application but we get disturbed when we have this kind of a section before us where the intent is to reduce injuries in a plant. It is all set out—the supposition of the Minister —that where injury frequency goes above the average, then they are going to take some action rather than giving us some straightforward idea as to what the department is trying to do, that is, to reduce accidents in the industry and, therefore, to reduce the cost of workmen's compensation.

Saying that, I would just ask the Minister one question and if he does not feel it is related to the section, fine. We will get at it some other time. But what does the Minister think about the request of the trade union movement, the federation of labour, and the Roach report and two other commission reports in the past few years, that accident prevention should be taken over by workmen's compensation and be a function of the board rather than this industry-management clique, the IAPA?

Mr. Chairman: Does the Minister wish to reply to the question directed to him?

Sections 18 to 20, inclusive, agreed to.

On section 21:

Mr. Gisborn: Mr. Chairman, on section 21, the present section 115 of the Act which section 21 amends, reads:

> Every employer within three days after the happening of an accident to a workman in his employment by which the workman is disabled from earning full wages or that necessitates medical aid, shall notify the board in writing of the happening of the accident; the nature of it; the time of its occurrence; the name and address of the workman; the place where the accident happened; and the name and address of the

physician or surgeon, if any, by whom the workman was or is attended for the injury.

Now, Mr. Chairman, this section is highly important and any failure or breakdown in that section is what has caused a great deal of concern in regard to the establishment of claims—for instance, its failure of quick action by the employer in reporting the accident, failure of any reason by the employee to know his rights and to get the accident reported and, of course, the doctor's report.

Now I just point that out because that is an important section. What the amendment purports to do is, and I read the explanatory note:

An employer is required to notify the board within three days after the employer learns of the accident.

Now the words added are "learns of the happening of the accident". Prior to that it was, "three days after the happening of the accident".

My first question to the Minister is, what brought about this change? Why now provide that the employer does not have to report it until he learns of it? I would think this would leave a great many loopholes for the employer to excuse himself for long delays in getting his report into the board.

Mr. Ben: How can it be otherwise?

Mr. Gisborn: Well, let me get finished and I will tell you. Certainly where an employee is working on a job and the job is of such a nature that it is covered by workmen's compensation, the employer, or his agent, his supervisor or his foreman, is in charge—and certainly no man should go off shift without that supervisor, that foreman or the agent knowing whether he has been injured or not. We just cannot leave it simply to say that the employer has to learn of the accident. The employer might be down south on his vacation for three months.

If you talk about the employer as the management of the plant, it has to be his agent. Now it was perfectly all right the way it was before but we still had problems with it. Now you have extended it by removing the phrase that every employer within three days after the happening of an accident to a workman in his employment, he has to report it. You say that after he learns of the accident he has to report it.

Why the change? Why this addition and why the loopholes that are left in there?

Mr. Chairman: The Minister.

Hon. Mr. Bales: Mr. Chairman, I think it is obvious that there are times when an employer does not learn of an accident, and the section simply provides that it is three days from the time that management learns of the accident. You will note that we have also increased the penalty. So, we are taking full steps to see that there is no inordinate delay.

But there have been situations where the employer honestly did not know of an accident before the three days elapse. I think, in those instances, it is improper to penalize him, so this section simply provides that if he learns on the first day he must report it as the present arrangement, but if it is three days after he learns of that accident, then the board must be notified within three days.

Mr. Gisborn: Mr. Chairman, I would ask the Minister if there is any place under the Act for the interpretation of the term employer? Is there any place where it says the employer is the foreman? Is the foreman of the plant considered the employer in regards to this section of the Act?

Hon. Mr. Bales: The definition of an employer is very extensive. I have it in the original Act and I am sure the hon. member has, but I would take it to be those in control of the operation.

Section 21 agreed to.

On section 22:

Mr. Chairman: The member for Timiskaming.

Mr. Jackson: I have a question for the Minister concerning this. I must first of all say that I think it is a step forward. But take the case of a person who is granted compensation for silicosis in Ontario on a cost sharing basis with, as an example, Manitoba. If Manitoba decided at a later date that his compensation will not be paid from that province, will the Ontario board pick up the difference and make sure that he gets the compensation that he is entitled to? Or will the Ontario board say that because Manitoba is liable for 25 per cent of his compensable disability, they should pay it and Ontario will refuse to pay it? I would just like the Minister to comment on that.

Hon. Mr. Bales: Mr. Chairman, this section permits the board to enter into agreements with other jurisdictions in reference to these things. Before they would enter into any agreement, the terms and conditions and

circumstances would all be ironed out. We would be satisfied as to the arrangements.

Mr. Jackson: Mr. Chairman, I would just like the Minister's assurance that, in this case, if Manitoba decided against further payment on a compensable situation, that Ontario would pick up the difference and make sure this man would be compensated—as he is entitled to be.

Hon. Mr. Bales: I think you are picking out an isolated case or situation here, but certainly I will take careful note of the suggestion you have made and will look into it with the board.

Mr. B. Newman: I would like to lend my support to the amendment as presented here by the Minister, because I have had several cases where individuals have suffered with silicosis, but not in our province. They had a most difficult time; in fact, they still cannot get satisfaction.

Maybe, by the passing of this, with arrangements made between provinces, cases such as the ones I have mentioned would no longer be problems whatsoever and the individuals would receive satisfaction from workmen's compensation.

Section 22 agreed to.

Mr. Chairman: The Minister has an amendment to section 23.

Hon. Mr. Bales: Mr. Chairman, I move that section 23 be struck out and that the following be substituted therefor:

> This Act comes into force on the first day of August, 1968, and sections 1, 2, 5 and 8; subsection 1 of section 10; and section 11, 19 and 21, apply only in respect of accidents happening on or after that day, and sections 4, 6 and 9 and subsection 2 of section 10; and sections 12, 13 and 22, apply in respect of accidents happening before or after that day.

Motion agreed to.

Section 23, as amended, agreed to.

Section 24 agreed to.

Bill 150 reported.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Chairman, does that very lengthy debate on compensation now discharge the order of the special debate on compensation?

Hon Mr. Rowntree moves the committee of the whole House rise and report one bill with certain amendments and asks for leave to sit again.

Motion agreed to

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report one bill with certain amendments and asks for leave to sit again.

Report agreed to.

Clerk of the House: The 13th order, House in committee of supply, Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF FINANCIAL AND COMMERCIAL AFFAIRS
(Continued)

On vote 703:

Mr. Chairman: The member for Oshawa.

Mr. C. G. Pilkey (Oshawa): Mr. Chairman, I think that the question of automobile insurance has created a great deal of irritation in terms of costs, the unfairness, and other insurance practices.

In addition, to that, sir, the rates have risen substantially the last few years, and the amount of money, or the percentages of the premiums, paid out is not adequate. Major accidents—a number of major automobile accidents—go unreimbursed, and we find cancellations and renewal practices being arbitrary. So that—

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Chairman, I must correct that statement. Under the facility, which exists in Ontario, there is no cancellation of automobile insurance policies in mid-term.

Mr. Pilkey: Well, the—

Hon Mr. Rowntree: You must be aware of that.

Mr. Pilkey: The question of renewing them is another thing.

Hon. Mr. Rowntree: Oh, is it?

Mr. Pilkey: The point that I really want to make, in any event, is the question of costs —as far as automobile insurance is concerned, here in the province of Ontario.

As I said, there are many citizens of this province who are becoming more and more irritated because of costs that they think are unwarranted. In my opinion, this is a fact.

Let me say this, that unless this government takes hold of this situation and puts automobile insurance costs in their proper perspective, that the trade union movement in this province is going to make automobile insurance premiums a collective bargaining item. The employers are going to pay the cost of the premiums, you make no mistake about that. This is the direction—

Mr. J. E. Bullbrook (Sarnia): Irresponsibility!

Mr. Pilkey: It may be irresponsible, but they are not going to carry this burden any longer, the question of automobile insurance and the high cost. It may be ridiculous, but that is the direction we are going. Unless this government takes some action in this area, This is the direction that the whole movement is going.

Mr. Bullbrook: It is the direction of the New Democratic Party.

Mr. Pilkey: It is not the direction that the party is going, it is the direction that the trade union movement is going, unless the government takes some action in terms of providing insurance at reasonable cost, and eliminating the unfairness of many insurance practices.

I do not throw this out as a threat, I just think that the—

Hon. Mr. Rowntree: What else is it?

Mr. Pilkey: You can take it as you want it. You will think it is a threat; I am just relating a fact.

Mr. Bullbrook: It is a promise!

Mr. Pilkey: No, no, it is not a threat. I am relating a fact on what is going to happen. I am relating a fact.

I suspect that it will be more than a million before long if the government does not take some action. If there was a properly government sponsored automobile insurance programme in the province of Ontario we could reduce the cost and take care of those situations where people in an automobile accident have found themselves treated unfairly. We find many inequities in the present insurance programme under private enterprise.

I suspected that there would be some comments when I raised this question, because, obviously, most of the members in the two old-line parties want to perpetuate free enterprise in this area of auto insurance, regardless of costs to the citizens in the province. Not that they do not have any compassion for the citizens of this province, but they are beholden to the auto insurance companies.

Interjections by hon. members.

Mr. Pilkey: Yes, it hurts a little, does it not?

Mr. E. A. Winkler (Grey South): Where does your money come from?

Mr. G. Demers (Nickel Belt): Just like Saskatchewan.

Interjections by hon. members.

Mr. Pilkey: But it is a fact. I do not know how to urge this government more to attempt and to institute a government automobile insurance programme that would reflect the true cost and guarantee the people of this province what should be their right, in terms of automobile accidents and other cost items, in relation to automobile insurance.

Mr. Chairman: May I remind the members that there was a very extensive discussion on auto insurance, and we moved to fire insurance and other types of insurance yesterday?

Mr. G. Ben (Humber): Has there been a discussion of loan companies, Mr. Chairman? I am sure that this has not been discussed. I deem that one of the causes of the high interest rate in the province and country today is the negligence of this government in its drafting of legislation, and particularly The Loan and Trust Act.

There have been no failures among trust companies for the simple reason that they had acted as trust companies.

Hon. Mr. Rowntree: What kind of trust companies?

Mr. Ben: I am sorry. The trust companies had not gone into bankruptcy because they acted as trust companies. It was when they started acting as banks that they ran into difficulties, and we had the situation last year where we had to pass emergency legislation to keep some of these loan companies, that called themselves trust companies, stabilized. Now, banking comes under federal legisla-

tion. But this province, because it wants to usurp that peculiar sphere of financial activity, drafted The Loan and Trust Act, which enabled trust companies to borrow funds, and put in a provision that the trust company could waive the requirement which made it mandatory on the part of the depositors to serve notice before they could get back their deposits.

Naturally, the trust companies seized upon this to enable them to become bankers, because as long as they had to receive notice before they could be compelled to pay back a loan, they could not, in the true sense of the word, act as banks. But when the trust companies could say to people, "Look you loan your money or deposit with us, and we will waive the provision which requires you to serve notice upon us," then they became banks that paid higher interest.

Hon. Mr. Rowntree: They have always had that power.

Mr. Ben: They did not always have the power. If my memory serves me correctly, section 73 is the weakness in The Loan and Trust Act. If you took the power of waiving notice, then they could act as banks, because this is what loan and trust companies are acting as now—banks! They just call themselves loan companies. Now, I will give the section, and I raised it last year. There is one little section in there, and this is what has caused the high interest rates, the loan and trust companies have gone into the banking business, and tried to draw savings away from the regularly established banks. So they offer higher interest.

The banks have to meet this higher interest, and then the loan and trust companies raise their interest for their depositors and away we go in an escalation of interest rates. Now it is fine for a depositor to get high interest rates on his deposits, except the banks get this money and loan it out to other people and they charge a still higher interest rate. The inequity in this is that those who have put it in the bank and draw these interest rates, but those who have not, have to go to the banks and borrow at usurious rates. So although I do not begrudge the depositors getting their interest, I do begrudge those who do not have it, having to pay such high interest rates to get it. This was brought about by this government permitting trust companies to go into the banking business, and that is what they are. They are banks. A rose by any other name smells as sweet, and these trust companies, by any other name, are carrying on a banking business, and do not say that they are not.

Hon. Mr. Rowntree: You are over emphasizing; and that is an over-simplification.

Mr. Ben: That is not an over-simplification. You wanted to grab a certain jurisdiction, so you permitted this to go on, and this is what has been responsible for these high interest rates.

Another thing that has been responsible for high interest rates, is your permitting the trust companies in this province to continuously merge and amalgamate. I was incensed when the president of the Canada Permanent Trust Company took in the last company, I do not know who it was, Eastern Chartered or somebody, saying that it was good business to get rid of the little ones.

But the Canada Permanent Mortgage Corporation has always led the rest of the field in increasing interest rates on mortgage loans. Their rates are usually a half a per cent higher than the companies here. They are always leading the way in increasing the loans. I do not know if they ever led the way in decreasing the interest rates, but they always seem to be leading the way in increasing the interest rates.

Why can they do that? It is because they are one of the most powerful ones. Next to the Royal Trust, they are the largest trust and mortgage companies in the country. The government should have stepped in long ago to prevent these continuous mergers and amalgamations that are swallowing the little fellows and, as a matter of fact, the Canada Permanent Trust and Mortgage Company did become the Canada Permanent Trust and Mortgage Company after they absorbed about half a dozen other small companies.

I say this to this government, Mr. Chairman, that if they continue to permit these huge trust companies to buy up the little companies, the interest rates will go still higher. You are wiping out the competition and increasing the interest rates. They are running cartels and monopolies and you should have stopped that long ago—but you have been remiss and negligent in that respect. That is why the little man cannot go and borrow money at decent interest rates now to build homes.

Mr. J. Renwick (Riverdale): Mr. Chairman, I might say to the Minister that I do not agree with the analysis of the role of the trust company that the member for Humber

has put forward, but there are a few aspects of it that I would like to question the Minister about. I note that apart from the usual sort of annual increment, the estimate is the same this year as it was last year. I am concerned as to whether or not the Minister is now satisfied that the office of the superintendent of insurance and of the registrar of loan and trust companies has the staff and the facilities, both in numbers and in quality, which are required for him to discharge his obligations not only under The Insurance Act, but under The Loan and Trust Companies Act?

The obligations imposed under that Act are quite onerous. The last time we discussed this matter, in the sad circumstances of British Mortgage and Trust and again of York Trust, the department, in fact, was not able to carry out the kind of inspection which the statute appears to envisage. Indeed they were quite a long way behind in issuing, for example, the annual report of loan and trust companies.

I would like to know whether the Minister can give us assurance and some indication of the size of the staff under this vote; the quality and number of them; the date of the last annual report of the registrar under The Loan and Trust Companies Act; when we can expect to have the report for 1967; and such other matters as will relate to the specific question as to its competence to carry out the role which it is required to carry out, particularly in the area of loan and trust companies?

Hon. Mr. Rowntree: During the past year, the salary item was increased by some $59,000. There has been a reorganization of staff. There is an increase of five in personnel over last year and we are currently awaiting an analysis of the department by our own organization and methods department. When that is received, it will be honoured and whatever recommendations they make will be implemented.

I think the reorganization of the department has come a long way during the past year, based on its experience prior to the formation of the new department.

There have been a good deal—I will not say negotiations—but of discussions with the federal government and particularly in some of the areas where there is overlapping or similar jurisdiction with respect to inspection. We are trying to work toward a standardization, both of our legislation and the requirements under our legislation, and of our inspection staff with the federal government.

I think that the point the hon. member has—for instance, the inspection of the various companies having to do with their admission to the Canada deposit insurance corporation—was a worthwhile matter.

I reported on that the other day when I said that all of the companies under the Ontario jurisdiction and over which we had jurisdiction, and which had been directed into the Canada scheme, had been accepted—I think I should just enlarge upon the word "accepted" a little bit—they were always "accepted," but there was a final acceptance required to complete the transaction, and that has been accomplished. I think that alone establishes that the companies which were under our jurisdiction are operating in accordance not only with our own requirements, but in accordance with the standards set by the federal superintendent and the federal CDIC, the deposit corporation.

I think this whole—I do not like the word exercise—but this whole situation during the past year has led to a general clean-up of the whole situation and in a positive way. We are still awaiting that report from organization and methods. As soon as it comes along, it will be implemented.

Mr. J. Renwick: Mr. Chairman, could the Minister tell us when they would anticipate that the report for last year would be available from the registrar of loan and trust companies?

Hon. Mr. Rowntree: It has presently been sent to the printers for submission of proofs —probably within a six-week period.

Mr. J. Renwick: Mr. Chairman, there is one other area under loan and trust corporations that I would like to explore with the Minister. I certainly got the impression that the passage of The Deposit Insurance Act last year was, in a sense, a negotiation of a transfer of jurisdiction from the provincial government to the federal government over the trust companies. I am interested to know whether or not there are discussions taking place between either, on the level of the department or on other levels, about the ultimate transfer of jurisdiction over the trust companies to the federal level, so that there will be some uniform administration of the financial institutions of the country, or whether it is intended for Ontario—

Hon. Mr. Rowntree: I know what the hon. member is talking about and there is this question of joint or overlapping jurisdictions over trust companies. Let me simply repeat

that there is no question about a constitutional jurisdiction of the provinces with respect to that particular phase of a trust company operation, meaning the aspect of its fiduciary role to the public, the supervision of estates and trusts, and that sort of thing.

With respect to—and again I do not like this word banking—their conduct in accepting deposits, being quasi-banks. It was in recognition of where we thought the responsibility should lie that we directed them into the Canada deposit corporation and you will remember last year, I think, our position was very clear as to where we thought deposit insurance should rest and be operated.

Against that background there still remains the point that the hon. member is raising about a final straightening out between the federal government and the provinces as to just where this banking responsibility should ultimately and properly lie.

I have had to rely on this explanation on other occasions in my estimates. I make no apology for it because it is a fact. During the past six months, let us say, up to last November and December of 1967, I had some very active discussions with the then Minister of Finance, Mr. Sharp, about this general area, and about the ways and means of getting to the nub of the problem both from a constitutional side as well as from the operating side.

I am sure you can understand that it has not been in the cards to have any more of those negotiations recently, but as soon as the situation in Ottawa settles down, this is certainly one item that will come up. But first, there is the matter of consumer protection that must be discussed with the federal government to get this under way on an all-Canada basis, or however you want to put it —but this similarly applies to the point raised by the hon. member with respect to financial institutions, so that we know exactly where we stand. It is an important matter.

Mr. J. Renwick: Mr. Chairman, I have one last comment—I do not expect the Minister to answer it—I have been concerned—and the member for Humber mentioned this—that a number of the trust companies that do business are, for practical purposes, controlled also by other financial institutions, and there is beginning to be a web of effective control in some instances, a web, certainly of influence in other instances, which link the traditional relationship between banks and trust companies, as well as finance companies which have purchased interests in trust companies.

The web of interlocking interests, or related interests, is becoming quite extensive, and I would ask first of all that the superintendent, the registrar, for the purpose of the estimates next year, look into this matter of the interlocking interest. Now, I am not suggesting necessarily, that it is either good or bad. I think the first step in any such interest is that the registrar, as representative of the public interest, knows what the factual situation is about the interlocking interest.

I would specifically ask, and I trust next year I will recall this comment to raise the matter at that time, that we do have perhaps included as part of your report or as an appendix or as a separate study, just the extent of the interlocking web of the financial institutions in the country, particularly in view of the entrance of finance companies into the field of substantial holdings of securities of certain of the trust companies.

I think it well merits study, and I think, on the basis of the study when we have the accurate financial information, one can then begin to assess it in relation to the public interest as to whether it is a good thing or a bad thing.

Hon. Mr. Rowntree: I would say to the hon. member on that point that there is a limitation under the federal authority restricting banks to a 10 per cent ownership of trust companies, and it is effective. I think it is one year hence, or 12 or 14 months—but in any event in the immediate future—in prohibiting individuals from serving both on the boards of banks and the boards of trust companies. I think that probably is going to be the basis of what you are talking about.

Mr. J. Renwick: It does become quite a web when you consider, for example, that Traders Finance Corporation, so far as I know, holds a substantial interest—I think a 20 per cent interest—in the Guaranty Trust Company.

I think that is just one instance of the inter-relationship which does develop amongst these financial institutions which militates against the kind of competitive financial operation that, perhaps, is more in the public interest than a controlled one.

Hon. Mr. Rowntree: The report commenced by our Ontario securities commission, with respect to insider trading, disclosed the type of information that the hon. member raises at the moment.

Vote 703 agreed to.

On vote 704:

Mr. I. Deans (Wentworth): Mr. Chairman, I have a few comments that I wish to make that fall within the area of consumer protection.

I think that most would agree that, of all of the votes that we have to take, to the average individual—to the average housewife—the area of consumer protection is one of the most important. It is also one of the most neglected economic groups in this country and in this province in particular. Everyone in the province is a consumer, and the notice that is taken by the government of the affairs of consumers leaves a lot to be desired.

Today the consumer faces many vast problems as he goes about trying to make purchases. The restrictive trade practices by producers. The hundreds of millions of dollars that are spent on advertising which, generally speaking, is more confusing than enlightening. The fancy packages which effectively hide the nature of the goods that are contained therein, rather than bringing to the attention of the consumer what is actually contained in the package. It makes purchasing very much more difficult.

I would say that, in theory, the consumer is given a very important and vital position to fill. In the economy of the textbook, it is the consumer who has the choices to make, the choice to determine whether or not the goods and services that are being produced are adequate, and whether or not they are properly presented to the public. It is really the consumer who determines which firms will succeed and which will fail. And in this textbook theory, the decisions of the consumer are reflected very much by the goods which are purchased on the market.

Competition between consumers for the goods available, to a large extent determines the price, theoretically. But of both the goods and the services that are available in the province, the prices of those goods which are in great demand, of course, will naturally bid upwards and the prices of those for which the demand is somewhat lesser will fall.

In this theory, producers are encouraged to produce goods which people want and are discouraged from producing unpopular goods. And the resulting shifts in this production bring the economy into an equilibrium, in which the amount of any of the commodity produced is equal to the amount desired at the market price—which is called, I suppose, the law of supply and demand.

In this abstract world of pure economic competition, there is really no meaning to be attached to the term "consumer protection." The consumer is assumed to know enough about the choices available to him on the market to plan and to make his purchases in a rational manner. This knowledge would, or should, prevent him from being victimized by unscrupulous sellers, and it is assumed that the producers and the sellers will meekly submit to having their goods sold at market prices, and in consumer-directed amounts.

I would say to the Minister that, in discussing consumer protection, it is a very difficult thing to draw the line between federal and provincial boundaries. I recognize that some of the comments that I may make will fall within the jurisdiction or the legal jurisdiction of the federal government, but the entire area of consumer protection has such effect on the consumer of Ontario that we must very seriously consider them.

Hon. Mr. Rowntree: As a matter of fact, Mr. Chairman, I would say that we would welcome your comments with respect to these matters, whether they are federal or provincial, because of the interprovincial conference that we had a couple of weeks ago, and with the forthcoming meeting with the federal government. I think it is important that we in this Leigslature just set out the situation as we see it. To me, this is a pretty important part of my estimates.

Mr. Deans: Thank you. I certainly do appreciate those comments. I feel that this is a very enlightened position to take. I had hoped that you would look at it from this angle.

I would say that, in this sort of abtract world that I am talking about for the moment, the producers are not permitted to form monopolies or combines, and are not able to gang up on the consumer and to come together in such a way as to deprive the consumer of his economic bargaining position. The consumer and the producer in this world approach each other as equals, the consumer having sufficient knowledge of the goods and the services to keep him from being hoodwinked, and the seller refraining from attempting to hoodwink him.

As I say, in an abstract way this would work well if everyone was painfully honest and above board. The unfortunate part is really that it is just theory. It does not seem to work in practice. It has not worked enough.

The present Canadian economy has very little resemblance to this theory. The produc-

tion of most commodities is dominated by a few large corporations which are able to exert tremendous influence on the market. The complex plant and machinery and the large capital funds required severely limit the ability of any new producer to enter the market. Therefore it becomes an area, particularly in the food industry, and you could say the beer industry, I suppose, where the present producer has a very tight corner on the market, and he can then influence things by having this distinct advantage. The only real competition then that will exist is the competition of advertising. The competition of trying to sell the goods not on their actual intrinsic quality, not to bring out the worth of the goods, but rather to sell them on an image, to put them on the market and to establish for the consumer, a wonderful bright image of what is in the box and appeal to his emotions rather than to tell him what is actually in them, and appeal to his good common sense.

With those few remarks about the theory and the practice of this, I would say that the presence of only a few producers in most industries has tended to make producers wary of price competition. They fear that the price cutting will only lead to retaliation by other large firms and a consequential price war would collectively harm all of the producers. While it is very difficult at any one time to determine that prices are fixed by any one other than the producer, I think that anyone with any knowledge of the market would reailze that it is too much of a coincidence that every product arrives on the market at almost the same price.

I think we would agree that, as I said, the competition has been brought down to a level of advertising and sales gimmicks and really nothing in the realm of a profit competition—competing with a product that is either a superior product, or making available a product at a lesser cost in order to bring into the area of that particular consumer need, the people who must purchase it.

This situation has left the consumer in an unenviable position and in this sort of pseudo-competitive market each individual is pitted against large, impersonal corporations which have spent thousands of dollars in advertising. They spent this money to appeal to his emotions as I said. They have come out with meaningless phrases and nice fancy wrappings but underneath there is very little opportunity for rational choosing.

It leaves the consumer under a sort of double handicap, that when he enters the market he is deficient in bargaining strength as an individual, and he is deficient in knowledge because the packaging does not indicate the product. What I am going to suggest are areas where we might, I hope, alter this situation and bring about a more rational approach to purchasing and a more rational approach to protection of the consumer. I was intrigued by the heading in this little booklet, "In the Public Interest". I think that that is what I will talk about.

"In the Public Interest", that is what I am concerned about at the moment and I think that, as a responsible legislative body, deeply concerned with the welfare of the citizens of this province, we have to take very strong action. We can no longer allow the market to fluctuate in the manner that it has, and leave the competition to be of the false and fancy kinds as opposed to the real deep competition that must necessarily be there, if the law of supply and demand is to work to any effect.

The field of packaging and labelling—this is one of the areas of grave concern. I have heard more complaints, and I am sure the Minister has too, about the area of packaging and labelling of products than perhaps any other single area. The complaints are quite often of several major kinds. They fall into three or perhaps four major categories and the first problem seems to be the large package with the small content—the package that arrives on the market in the giant, huge, superb, stupendous size and inside, we get a half full box of whatever it happens to be you are trying to buy.

Now, I recognize, and I am sure you do, too, through you, Mr. Chairman, to the Minister, that in many industries it is not the fault of the industry that the package is so large. In the filling process, of course, it takes that size of a box and, as it says, the product settles. Of course, there is some room left.

But I think that we must do whatever we can to ensure that the size of the package relates at least in some way to what is contained therein. We have got to try and ensure that when someone goes into a store and buys a box of soap that is half filled with soap, a further quarter filled with a dish towel and the last quarter with air—that that situation was beyond the control of the manufacturer.

As I said, it is not always the case of trying to mislead the public in those cases. There are some areas where it cannot be avoided.

Another problem that arises is the tendency of manufacturers to continue even yet to put out packages in various sizes instead of standardizing the size of the package in some way or other so that each and every product on the market will be contained in a package that cleaarly announces the size. We will no longer have the large and the medium and the small. Because the large, medium and small really mean nothing when the giant comes to the market.

We do not really need the two-pound, three-ounce size indicating the large, while the four-pound, seven-ounce size is the giant size. It makes it very difficult for a consumer to shop realistically and intelligently when we have this kind of packaging and this kind of marking of sizes. It would be much more intelligent if they were to arrive from each manufacturer in a standard size of box that indicates that if it is large, it represents four pounds, for example; if it is giant, it represents eight pounds—and no matter what you buy, that is what it represents, no matter whose product it happens to be.

I wonder, Mr. Chairman, if it might, since it is 6 o'clock, and I have considerably more to say, be in order to adjourn the debate at this stage?

Mr. R. Gisborn (Hamilton East): Mr. Chairman, before we rise, could I ask the House leader if he would inform us as to what the procedure will be in the next couple of days? I do this because of the government Whip inferring to me today that there was the possibility of us going into Budget debate on Monday for a day and dispensing with the hour between 1:00 and 2:00 o'clock tomorrow.

Could the House leader give us some direction so we can do some planning? We are in agreement with it if that is the case, Mr. Chairman.

Hon. Mr. Rowntree: Yes, I think I could. I will try to confirm that with you this evening.

But in any event and while we have been asked this question: Following the estimates of my department we will deal with the matter of government insurance. Then comes The Department of Public Works, the Treasury, Civil Service, Mines, and then Municipal Affairs.

With respect to the order paper and the Budget debate, I will speak to those points later this evening.

It being 6:00 o'clock p.m., the House took recess.

No. 145

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Thursday, July 11, 1968

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JULY 11, 1968

The House resumed at 8:00 o'clock, p.m.

ESTIMATES, DEPARTMENT OF FINANCIAL AND COMMERCIAL AFFAIRS

(Continued)

On vote 704:

Mr. Chairman: I think perhaps before we proceed with vote 704, we should agree to take the director of consumer protection and the consumer protection bureau as one section, then separate the registration and examination branch and cemeteries branch. Would this be agreeable to the committee?

We will proceed then with the director of consumer protection and the consumer protection bureau.

Mr. I. Deans (Wentworth): Yes, thank you, Mr. Chairman.

Just prior to the supper hour I had been discussing the matter of packaging and of labelling packages and determining suitable sizes prominently displayed in order that any consumer trying to purchase would have at least a 50/50 chance of coming out with something bearing a reasonable relationship as between the amount spent and the amount received. At that time, by way of illustration, I was about to use an article that I took out of one of the local newspapers earlier this year and to read a small piece out of it. It says:

> New package shapes and labels making ever more blatant claims crowd the supermarket shelves. There are no longer small, medium and large sizes. These are considered dirty words. Only "jumbo," "giant," "mammoth" and "colossal" now exist. And rather than raise prices—

I feel this is quite important:

> —rather than raise prices, manufacturers indulge in the sneaky trick of putting less of the product in the same size carton, in the well-founded hope that one housewife in 10,000 will notice the difference.

You would wonder about it but as you read further you can see what they are talking about. It says:

> Certainly the net weight or content number is printed somewhere on the package. But who can remember what it was last week? Not many people. When the net weight of a cereal drops from one pound, two ounces to 14 ounces without change of package size, who would be aware of it? Who counts the number of sheets in a toilet roll? Who notices there is less tea in a tea bag?

And they go on to tell that the decrease in the content covers a wide range of food items from cat food to candy bars, and non-food items such as shoe polish and disposable vacuum cleaner bags and patent medicines and so on. But I think the message is fairly clear that the industry has found another way to maintain the price level, make it appear that they are holding the line, while in actual fact deriving greater profit.

Now I suppose it is legal, but it certainly does not do much to bring out the confidence of the consumer. It certainly is very difficult for an average consumer to go around and determine whether or not the product she is buying today has the same amount of content as the product she bought last week or the week before.

Another article that caught my eye not too many weeks ago was one I feel was of great concern. It is the matter of labelling, showing very clearly on the package, no matter what the product is, the ingredients of the product. I am sure that everyone here—and I am not going to read it—but I am sure that everyone here read in the Toronto *Daily Star* the article about the nurse who found when she tried Ultrabrite that she was allergic to one of the ingredients and the great trouble she had finding out from the Colgate-Palmolive Company what the ingredient was. I think it is of some major significance that the company refused—even after having been told that she was allergic to something in their product, being told by her that she was a nurse and that she wanted to know what it

was she was allergic to so she could determine what course of action to take to remedy it—they refused to do so. There should be no product on the market for human consumption that is not clearly labelled, with the ingredients stamped in such a fashion that there can be no doubt.

Mr. G. Ben (Humber): What about Coca-Cola?

Mr. Dean: Let me say to the hon. member for Humber that I thought by saying any product for human consumption that might include Coca-Cola. I drink it.

I think any product for human consumption should have the ingredients marked plainly on it. I do not know if the member for Humber is in agreement or in disagreement, it is hard to tell.

I feel that if we were to take this action it would certainly help to fill out a gap that is left there. There is no way for a consumer to determine contents if they are not clearly indicated.

Now, it has been suggested, and I think that there is good merit in it, that these requirements should be extended to cover goods purchased from wholesalers in bulk and packaged by retailers; and should include appropriate non-food items as well, such as clothes and cloths and yarn—an indication of some kind of the calibre and quality of the product that you are purchasing.

I listened this morning with some considerable interest to an open-line type programme, and on this programme there was a gentleman from the carpet industry. I am sure that 95 per cent of the people purchasing carpets in this province could not tell you if they were getting a bargain or not. They have no idea. They do not know if they are paying too much or too little. They do not know what is in the carpet; there is no way to tell. It just says made up with certain fibres, and it does not mean anything. Even Dupont 501, if that is the right number, does not mean anything to the average person, but they assume that it means something and they buy it.

In the field of advertising there is much that could be said about it, and I know that the Minister would agree with that—that a lot of the advertising that has gone on is, if not completely false, at least bordering on the false. The packages that one sees with the great chunks of meat displayed on the front.

I have yet another article—I hate to keep referring to things out of newsprint but it is sometimes the only way to get to the point. One of the things that we find in this article—and it is out of *Canadian Transport* of July 5, 1968—tells about the new products on the market concerning rice and noodles. There are all kinds of them; many, many of them.

It gives you an indication of how much the consumer is paying for this relatively low-cost food. It tells of how we have this beef-flavoured Rice-a-roni—without beef, beef-flavoured. We have Uncle Ben's beef-flavoured rice. And it says that the leading ingredient of Uncle Ben's beef-flavour is beef fat. It is not really beef. It says that Betty Crocker now offers noodles Romanoff. This is noodles with a little cheese and some sour cream salad, and for this you pay $1.36 a pound—

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): If you buy it that is.

Mr. Deans: Certainly, anyone who purchases and pays this kind of price—but the thing that I want to point out is this—it is the packaging of it that is disturbing me. When one picks up the beef Stroganoff, or the noodles Romanoff—it is a very colourful package, with great enormous chunks of meat. It is a very colourful package, with cheese just oozing all over the picture; and then you buy it. And what do you get? You get a box of noodles and a package of cheese about half an inch square that does not in any way compare with the picture on the package. Surely this is false advertising?

My friend from—wherever he may be from, I have a little difficulty remembering—from Carleton East, cluck clucks over there as if it is not that terrible. The fact of the matter is it is terrible. It is terrible that the advertising in these packages should be so outrageous—the fact that they do not in any way resemble the product inside.

Mr. A. B. R. Lawrence (Carleton East): Do you?

Mr. Deans: Do I what?

Mr. A. B. R. Lawrence: Do you resemble the product?

Mr. Deans: Which product do you have in mind, through you, Mr. Chairman?

Mr. A. B. R. Lawrence: The one you sold to the electorate last year.

Mr. Deans: Oh, I think definitely, definitely!

Interjections by hon. members.

Mr. Deans: So, in the matter of advertising, I think it is necessary, in the establishment of the consumer bureau, that it looks into the affairs of the consumer.

We will assume for the moment that the consumer is not able to determine what is inside the package. Surely it must become a regulation that what is inside is depicted on the picture—or at least, what is not inside is not depicted on the picture.

Another problem about advertising is clearly shown by the following article. It shows the power of advertising. It is about the *Reader's Digest*, and it shows what can be done by one company to stop anyone from speaking out.

There was a gentleman, a Mr. Baker, who wrote a book; it was called "The Permissible Lie." It was a book showing the problems of advertising and the problems of the consumer, and he was about to have it published by Funk and Wagnall, one of the fairly large publishing companies.

But *Reader's Digest* bought Funk and Wagnall, and they said that they would no longer publish the book because the people this man was writing about purchased advertising in the *Reader's Digest*. They did not think that it was in the best interest of the *Reader's Digest* to publish the articles, and the facts that this man had dug up, and so therefore he had to go and find some other means of publishing his book. This is how far the advertising media reaches in. It reaches right in to the very souls of people.

It says, and I read again, "in recent years the advertising industry has grown to mammoth proportions," and no one can deny that. It points out that in 1961 there was an amount spent of $282 million in advertising through advertising agencies, and in the past five years this has more than doubled. Advertising is paid for by the consumer in the form of higher prices, although the advertising industry claims that advertising in fact aids in lowering costs by promoting larger production.

I think it is apparent to most people that most advertising—particularly that done by large consumer goods producing corporations —is done to persuade customers to shift from one brand of the same goods to another. It is not done to try to tell people that they are selling a better product. It is done just to appeal to their senses—to appeal, not to the common sense, but to appeal to their imagination. And the problem with advertising, and it is a sort of vicious circle, is, as one firm increases its expenditures in advertising in an effort to lure the public from another firm, of course the other firm then spends increasingly more, and so on all the way down the line. It always falls back on the consumer to pay the cost.

Now if the advertising was done in a fashion that would enable the people to see exactly what was for sale, it might not be such a bad thing. But in actual fact it is not, as I said before.

We would suggest that some measures ought to be taken in the advertising field and the provincial government could make these suggestions to the federal government. I suggest that a ban be placed on advertising directed particularly at young children, for a start. I think that television advertising that tells the small child to run to mummy and get her to go out and buy such and such a product is going a little far. I think that when you imply that every child on the block has a certain toy and "you ought to have it," it is going a little far. I think that we ought to ban advertising directed particularly at young children.

A ban on the meaningless comparatives, where they compare things which really cannot be compared. There are certain things—and whether or not we ban the advertising of alcohol and the like is something that I am not particularly sure of—but there are certain products where we are going to do either one of two things. We are either going to allow complete advertising, or we are going to ban advertising altogether.

Another matter is not to allow advertising to refer to "independent scientific tests", because they are meaningless. You sit and watch television and you find, consistently, advertisements coming on showing you how one gasoline with a certain additive will go further than another—a gasoline with an additive will go further than a gasoline without an additive. But how much, and what is the difference in cost? They do not tell you. They do not tell you whether it is going to even out in the long run and you are going to go further with this gasoline at a cheaper cost.

It is not fraudulent perhaps, but certainly bordering on that, because there is no indication that you are buying a superior product if you buy it.

It should be compulsory in advertising to mention the grade of the product and the

sizes available, and there ought to be a compulsory mentioning of prices in advertisements by retail establishments.

In the field of sales gimmicks I think we could quite easily do without free gifts—trading stamps are on the way out, if they are not completely gone. I think that we all know the free gift is not free. There is really nothing free and, as I said before, if they put a dish towel into your dish-washing soap you pretty quickly find out that you are paying for it anyway, because you are getting less soap; you certainly do not get it free.

In addition to these things, there are other matters that ought to be taken into consideration in strengthening the legislation in the consumer protection field.

One is the need for an ombudsman in this province—a person who will represent the consumer at all levels. A person who, when a consumer feels he is being gypped, or if the government finds he is, will take action on their behalf and will constantly be working on behalf of the consumer. A person to whom the consumer can come with his problems and have representation made to the government.

I am not talking about the type of ombudsmen that sit in here, 117 of us, because it becomes a very difficult chore.

As my colleague says, not exactly like the insurance superintendent either.

I think that this shows what is really wrong—that, generally speaking, the consumer associations are just a bunch of women. And I say "just", not to be derogatory, but they are a bunch of ordinary people who get together to discuss the problems that they have personally faced. But they have no way of making forcible, continuous representation and there is no way of getting some action against the people who are cheating. It is necessary that we have someone in the government, in The Department of Consumer Affairs, doing just this continuously.

There is a need for standard forms in all things. We have standard forms in the insurance field, to some degree, and I believe that we need a standard form. It was said that this standard form ought to have a complete disclosure of the cost of borrowing, if borrowing is being done. Clear statements of default, repossession and security provisions, prepayment privileges—and that is a very important thing. There are quite a number of people who, over the course of the years, save up the money to pay off the product, only to find that they cannot save a nickel by doing so.

Penalties and consequences to the vendors and credit grantor for inaccurate disclosure of borrowing costs, which we are getting to. The cooling-off period that we have introduced in this province is just not quite enough. It is almost, but not quite, because in the provisions of the Act, there has been no provision made for the possibility that a door-to-door salesman can take the purchaser away from his home to an office to sign the contract.

This is one area where they have found a loophole in the Act in British Columbia and it was altered, and I think we ought to alter it here. But, if a door-to-door salesman sells you a product, even though you have the two days, and even though all of the other provisions are made, you can be taken from your home, or invited from your home, into an office to sign the final contract. They then do not have to comply with the regulations of the Act. So it is very necessary that this be looked into and taken care of.

I would ask the Minister, at this stage, whether or not dance lessons are covered in the provisions of the Act as it presently is constituted? I cannot see any way that they are, but maybe they are. If they are, I would like to know and, also, whether or not sales under $50 are covered. I am not sure about that. As I read the Act I was not able to put my finger on that portion. If they are covered, this good. If not, then they ought to be.

The final matter that I would like to deal with is one which, perhaps, at the moment, is not within the jurisdiction of this particular Minister, but is one that I have come into very close contact with. It is the matter of purchasing automobiles—used automobiles—and a very fine little brochure was put out by the Minister—"Used Cars." It is very colourful and very nice reading.

It talks about, in one part, selecting the car. Now the Minister of Transport (Mr. Haskett) has introduced legislation making it mandatory for the automobile being sold to be in safe mechanical condition. It is in the interests of the consumer that the consumer affairs division of your department, through you, Mr. Chairman, to the Minister, should be the department which administers that portion of that particular Act. After all, the person purchasing the car is a consumer, and many of the new mechanical fitness requirements are just not being complied with.

I say "many" and I am sure, quite frankly, most of the used car dealers go through the

formality of ticking off the various sections of the form—the headlights, the tailpipe. They tick them off, they do not really check them, because they go along in the hope that nothing will happen for 30 days. And, generally speaking, nothing does, but when it does happen, then the consumer is faced with the cost of going into court and attempting to recover his damages and his losses, and this should not be. It is very necessary that the legislation that is presently within the jurisdiction of the Minister of Transport—that the taking care of it, the administration of it, be under The Department of Consumer Affairs.

Whether or not the things that I have suggested will be of any assistance to you is something that you have to decide. Many of them are old, and most of them have been hashed out before but a lot of them are not covered at the present time and they ought to be. It is very important.

There is no one more important in this province, or in this country, than the woman who buys in the grocery store and the man who goes out and buys an automobile—a used car—because most people do. I would say that anything that can be done to strengthen the legislation should be done, regardless of whether or not it means stepping on a few toes that otherwise you might not like to step on.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, I am pleased to enter the debate on vote 704 as the Liberal critic for consumer affairs.

I would first of all commend the Minister on the presentation of the report on his department which, as has been referred to earlier, covered the period from November 24, 1966, to December 31, 1967. The information adverted to by my colleague from York Centre (Mr. Deacon) may not at present be in the most useful form, but it is certainly an encouraging start. The Minister and his department are to be commended for placing this much information before the House at the present time.

The consumer protection division is the largest, by budget, of the various votes in the department. As hon. members are aware this division has three branches:

1. The consumer protection bureau, the function of which is to educate and counsel the public; to receive complaints; and to enforce legislation to protect consumers.

2. The registration and examination branch, which is further divided into several sections.

3. The cemeteries branch. This latter my colleague for Waterloo North (Mr. Good) will deal with in due course.

Mr. Chairman, I shall spend some of my time, first of all, in commenting on the first areas which the Chairman has suggested we discuss at this time, namely, that of the director of consumer protection and the consumer protection bureau. In the 1967-1968 estimates, this same vote, in its entirety, received $866,000. With the new responsibilities of the cemeteries branch deducted from the present budget, a net balance of some $1,102,550 remains. In the vast amounts spent by this government, an amount of an extra $150,000 is easily lost. However, in this department, this amount is possibly a valid step along the long road of consumer assistance in Ontario. We are told that a journey of 1,000 miles begins with but a single step. Here we have what amounts to a second step in the journey.

A major responsibility for this department is to ensure that the consumers of Ontario can gain the maximum value for the full range of goods and services that they purchase and use. This is an important mandate, and one which can be of special use to the many groups of low-income-handicapped consumers, who are referred to as "the troubled consumers". For those who are trapped in the web of poverty, we must ensure that they gain the maximum use of their income, and yet we are aware, at the same time, that these are the people who are the least likely to do just this.

Time and time again we see that the poor pay more for goods of poorer quality than does the average Canadian housewife. It is the low-income consumer who uses high-cost credit without protection. It is the low-income consumer who lives in the urban ghetto without the benefit of comparative shopping sources. It is the low-income consumer who is taken in by the unscrupulous seller, and who falls prey to unethical advertising. And, it is the low-income consumer who gets caught in this jungle of exploitation and fraud.

As a *Yale Law Journal* study states: "In reality, the poor buy different goods and services at different stores for different prices, and this has a profound effect on their standard of living, compounding, preserving, and deepening their poverty." The study goes on to show that it is often less expensive to help a family to save a given amount, through proper consumer behaviour, than to help them to achieve an equal increase in income.

Secondly, many of the people not reached by the present anti-poverty programmes could definitely be helped by a strongly developed consumer programme.

Thirdly, the benefits of increased income may well be dissipated through poor spending habits.

Therefore, anti-poverty habits must not only aim at raising income, but also at increasing the amount and quality of goods which that income can provide. In a society so oriented to the consumption of consumer goods, where so much emphasis is placed on the possession of things, and where there is such a high degree of stimulation, the consumer is faced with a bewildering tantalizing need to grasp the nearest shiny object. This is a problem of special severity for the family on limited income. The Canadian living in poverty is placed at a great psychological disadvantage in our modern market place. He has $10,000-worth of desire, $5,000-worth of needs, and perhaps $2000-worth of income.

This inequality leads to strange and unfortunate situations. Cases where, for example, half the people on relief in an area near Bathurst, New Brunswick, owe the credit company, with an average interest rate of 24 per cent.

The difficulties of the market place are not just confined to those stuck in this trap of poverty. There are the young married couples, who have very extensive needs, but are just at the first level of their earning power. They often overextend their resources, and get caught in the very serious spiral of debt.

There are immigrants, newly come to Canada, who must rebuild their household in a strange land. Language difficulties and unfamiliarity with Canadian practices cause confusion in purchasing and, at times, can lead them into unhappy situations of being sold useless products at high prices.

There are millions of teen-agers who are just entering the market place and are susceptible to many of its exotic appeals. These and many others use their income unwisely, and are also troubled consumers who need assistance and benefit from our economy.

Under conditions such as this, there must be programmes designed to secure better use of the consumer dollar, and better protection for the consumer. Efforts to develop employable skills, to create jobs and increase income will all be negated if the increased income only leads to more extensive exploitation of the poor, through ignorance, deception, and fraud.

The ambitions of a young couple, the new Canadians and the teen-age consumer can be frustrated because of faulty purchases and high debt.

Government activity at the federal and provincial levels can be most useful in two major areas to aid the low-income consumer.

First of all, information and education must be provided. In this way the consumer must be able to know more about products—to know where to buy and how to buy; to know what to buy; to develop better shopping habits; and to learn better consumer skills. This will involve counselling and neighbourhood improvement clinics, and will require work with the groups already in the field.

Mr. Ralph Hyman explained it this way in the *Globe and Mail* of May 2, 1968:

> It is recognized that legislation can go only so far in curbing the high-pressure sales pitch, the fraudulent pledge, the concealed interest charge, the phony used-car deal and activities in all other areas where the unscrupulous and the corner-cutters prey on the ignorant and the gullible. Government leaders, civil servants, union officials and executives of various public organizations feel that without consumer education—starting in the schools and embracing all forms of communication—the battle against the exploiters cannot succeed.

In December of 1966, the governments of the three prairie provinces established a Royal commission on living costs; known from its chairman, her honour Judge Mary Batten, as the Batten commission. The report of this commission was made public in March of this year, and some comments made about the responsibility of the individual are worthy of note.

The report tells us that, no matter what governments do to protect consumers, the fundamental responsibility rests squarely on all of us as consumers to take advantage of what is available to us, to exercise our rights to complain, and to know when to fail to buy if the consumers are not satisfied. It calls on government to describe what is known as a "science of consumer conduct". Consumer education in high schools and adult courses is called for, and I would like to have the Minister's views, eventually, on his plans for such continuing efforts in Ontario.

The report further calls for a common Canadian consumer's handbook with definitions; tables of comparison; characteristics; regulations; and sources of information. Again, the Minister's views on the possibility of issu-

ing such a book in some kind of a loose-leaf binder would be interesting.

The commission also calls for the instigation of curbs on promotional activity in the gaming and sweepstaking devices of supermarkets. And I would ask the Minister to advise us as to his views on the seriousness of these gimmicks, the costs that they might add to the final bills, and what he intends to do about them?

My colleague from Wentworth had mentioned the matter of trading stamps, and this, of course, is still with us. I trust that the Minister has come to some conclusions on this subject as another year has gone by, but I would call upon him to move to cancel out these drains on the consumers' dollars.

In the city of Kitchener we have a very active branch of the consumers' association of Canada. This is the group which my friend has referred to as "just a bunch of women". A recent study has shown that there are three main areas of local complaint by consumers and I suggest to this House that they are probably echoed across this province.

The first is that of the contest and the give-away deals, to which I have just referred. The second complaint is the blocked cash register windows in the supermarket.

As we are all aware, cashiers can make errors and the variance of perhaps 20 per cent either way is suggested as a possible result of an accumulation of these errors. If the windows are blocked, of course, who will know the details? Merchandise is usually placed on top of and around the cash register. Various price lists and changes and amendments are stapled and stuck all over it. Complaints certainly have not brought changes, so we can only presume that, if there are errors, they might well be in favour of the storekeepers.

The third complaint which is current in our area is that of the "bait-and-switch" gimmick. The cheap carpeting, or the bargain meat, is advertised and the eager consumer is conned into buying something better.

Of course, carpeting which would not be good enough in your home, or meat which would not be good enough for your family, is available at those prices, as advertised. It was available before the selling job is done and the individual is conned into something better and more expensive. The individual eventually winds up paying more than he can afford, or more than he would have paid at the beginning.

The complaints continue to pour in. Unethical advertising. Poor quality of items. Short or odd weights. Loss leader sales, or other gimmicks.

In these areas I suggest that the government has a clear responsibility to move in and to protect consumers, namely by education. Indeed, this process will probably have far greater long-term benefits than will the passage of punitive legislation which is virtually impossible to enforce.

Mr. Chairman, second to the area of education is that of law reform and development. And, I would first commend to the Minister the report on The Consumer Act, Ontario, made by the commercial laws subsection of the Ontario branch of the Canadian bar association in April of this year.

There are many sections referred to in this report for amendment and clarification. The report goes on for some 15 pages or so, with appendices as well dealing with improvements to the legislation. I am quite sure the Minister and the members of his department, especially the director of consumer protection, have seen this. I trust he has taken it to heart and that he is working now to bring in and develop legislation which will eventually amend and clarify the legislation with which we have begun this department. I hope that the Minister will comment on how he sees the implementation of whichever of these suggestions are useful to him.

This commercial law subsection has obviously spent much time in developing and documenting and thinking about changes to the Act that will make the enforcement of the present legislation and the improvement of the legislation useful to the people of Ontario. Of course, as we are aware, many of the statutes which we pass in this House are taken as being useful models for other jurisdictions. Mainly for other provinces in Canada.

So we have, not only a responsibility to develop the best legislation we can for our citizens, but we also have an understanding that whatever we do here may well be copied—may no doubt be improved upon, but may basically be useful to other jurisdictions and therefore to the development of consumer protection for all Canadian citizens.

In this case, I suggest to the Minister that the blurb, or the thought, constantly used, that Ontario leads the way, which we often see in various publications, can be an effective and good way—in that which we are leading. Surely the citizens of Ontario deserve no better than to have consumer protection placed as a top priority item by the

government of Ontario. If you can by amendment to our Act, improve legislation, then also we can develop a healthier attitude for consumer protection in Ontario? If we can, by these methods, do something which will be useful, not only for our citizens, but for those of other provinces, then I suggest that we will have spent these long hot summer days to good advantage.

There must, of course, be far more stringent and effective enforcement of the laws dealing with the matter of fraud, misrepresentation and restraint of trade. I encourage the Minister to comment on his relationship with the new federal Department of Corporate and Consumer Affairs. I would hope that he might be able to advise us as to some of the plans which the director of consumer protection and the consumer protection bureau have in co-operating with this federal department and in developing studies which will be useful in setting standards for the entire nation.

One comment which I would make concerning the present Act would be to refer to section 18. In that section we are told that, because of the definition of credit in section 1, subsection (d) and the definition of "itinerate seller" in section 1, subsection (h), the two-day cooling-off period only applies if the credit portion is separately charged.

I would hope that the Minister would be able to amplify this point of view and inform the House as to whether this comparison of definition in these two subsections does in fact bring that result.

To avoid the Act, the door-to-door vendor simply puts on an exorbitant price on the pots and pans, or the aluminum windows, or whatever else it may be, and then he lets the consumer pay it off over a period of time without charging interest.

Further, there is, of course, no effective sanction for false or misleading advertising under the Act, except for a cessation order. This is surely meaningless to the fly-by-night operator. In this area Ontario could really lead the way. Even a continuing business can avoid penalties by placing slightly differing forms of advertisment.

This is not adequate. The intent to mislead or deceive should be punishable, as it is under the federal trade commission regulations in the United States.

I trust that the Minister will comment on his plans to improve our present legislation and I would like to know whether members of his department, whose salaries this portion of the vote covers, will be involved in these studies.

Several of the members of this House attended a conference on "The Consumer and the Law" held at Osgoode Hall this spring. In my opinion, one of the most useful papers was that given by Mr. Aubrey Golden, a Toronto barrister, and this was entitled "The Consumer and Inadequate Law." I would like to place on the record of this House some of Mr. Golden's conclusions, which I think would be useful. He writes as follows:

> Apart from individual rights to enforce warranties and conditions, some statutory rule should be invoked which will ensure fair and honest dealing in the marketplace. Here the onus should be placed upon the vendor, not to unfairly exploit the purchaser, but his merchandise or services. Rules should be enacted to insure that there is no concealed fraud in retail merchandising. The rules should go further than they do at present, however.
>
> Now, they tend to remove the concealment, but not necessarily the fraud. Discriminatory pricing in low-income areas, welfare payday increase in prices, bait selling, slack filling of packages, misleading or confusing packaging or point of sale advertising and the sale of grossly substandard or unfit merchandise should be banned. We need rules against unconscionable transactions in the sale of personal property and not just in the extension of credit.
>
> To administer such legislation, I would suggest broader powers in our existing agency. The consumer protection bureau would require the power to institute civil and criminal proceedings against those who offend against the rules. On the civil side, the powers would include requesting injunctive relief, instituting actions on behalf of individual consumers or groups of them, recovering statutory punitive damages, applying for forfeiture of corporate charters habitually used to carry out fraudulent practices and to recover costs.
>
> The bureau would carry out research and educational functions on consumer problems and encourage the adoption of voluntary codes of ethics in various groups of businesses.

I would like to have the Minister's comments on Mr. Golden's proposals.

With respect to the general development of the director of consumer protection and the consumer protection bureau, this ends the comments which I would make in this

area, but I will then, of course, speak on the registration and examination branch.

Mr. F. Young (Yorkview): Mr. Chairman, we have heard a great deal tonight about the problem of the advertising and packaging in connection with the merchandising of goods.

Hon. Mr. Rowntree: Mr. Chairman, before the hon. member proceeds, I would like to direct a question to the Chair. At the beginning of the estimates it was my understanding that the two Opposition parties and the government would deliver what I call lead-off speeches.

The present material is extremely interesting, but I think it is more in the nature of Budget debate and already one has indicated his reservation of doing a second lead-off speech within this same vote.

All of this is very well, but I think it might be helpful to the rest of us in the House, who have some responsibility to deal with these matters, to give us some indication of just where exactly we stand and what is going on.

Already we are commencing in the second lead-off address—the third lead-off address on this department from the New Democratic Party.

Mr. Young: Mr. Chairman, this is what you call anticipation of some kind, where the Minister jumps to conclusions. I had no intention of doing anything in the nature of a lead-off. I have a couple of items that I want to put before the Minister for his enlightenment, and I am sure that he will have some advice to offer.

Hon. Mr. Rowntree: Put your question then.

Mr. Young: I just want to point out to the Minister one little item which occurred on March 20, 1968, a rather amusing thing, in which I am sure the Minister will be interested.

Hon. Mr. Rowntree: Is the member trying to entertain us?

Mr. Young: Well okay!

This is an illustration of the kind of advertising we are getting today in the daily press. This was in the one newspaper. Loblaws advertised this way: "Special, 15 cents off giant size package of Tide, 83 cents." Then, A and P, in the same paper, advertises 15 cents off giant size Tide detergent, 79 cents. Power advertisement—11 cents off, same thing, 79 cents. And then Steinbergs advertise—and this is very interesting—they say they are going to give us 15 cents off, 69 cents. But then the advertiser writing the thing must have had a little qualm of conscience, for in a circle in here, 15 cents off, 69 cents, he says, "save 8 cents."

Now what that means, I do not know, but they are going to give us 15 cents off and then truthfully he says you will save 8 cents. These are the different prices on the same day in the same newspaper.

Now, the second thing I would like to ask the Minister in this connection, is in regard to—

Hon. Mr. Rowntree: Mr. Chairman, I would like to repeat my observation about the lead-off speeches.

Mr. Chairman: I think the Minister is quite correct. It has been my understanding that in the consideration of the estimates of each department that a sort of arrangement or agreement or informal agreement of some kind had been arrived at some time ago, in fact, that each of the Opposition parties would be having a lead-off speaker.

I do not know that there was a time limit placed on that particular lead-off speaker's remarks, but this was my understanding and I think that for the most part during the estimates we have adhered to that. Each party, the New Democratic Party and the Liberal Party would each have a lead-off speaker for each department, and then the actual discussion of the votes within the estimates took place after the lead-off speaker.

I must to some degree concur with the Minister that we have had two rather lengthy perhaps Budget speeches on this particular department. Perhaps the members will all recall, if they will, that we should get into the estimates and debate the votes.

The member for Yorkview.

Mr. Young: Mr. Chairman, I did think this was a little item in which the Minister would be very interested. But I do want to ask the Minister in connection with this whole matter of consumer protection, whether or not the setting back of speedometers in motor cars is an offence in the province of Ontario?

Hon. Mr. Rowntree: I am not going to answer your questions on your lead-off speeches until you are all through.

Mr. Young: Well, Mr. Chairman, this will have some real bearing on what I have to

say. I did want to elicit from the Minister some information. Now, if he does not reply to me, then I have to give him a more lengthy dissertation than if I had the answer.

I bring to the Minister's attention then—

Mr. Chairman: I believe it is the Minister's prerogative to answer each individual question as it is placed before him or to answer all at once.

Mr. Young: I bring to the Minister's attention then a difficulty which is faced in the matter of consumers buying second-hand cars, and I quote to him a case which I think has come to his attention, or certainly to the attention of his department, the case of Robert Whitehouse, RR 2, Colborne, Ontario.

Mr. Whitehouse bought a second-hand car with 39,000 miles on the speedometer. He came to me some time afterwards and I asked him to put this thing in writing—which he did. He said he bought the car on January 23 with the mileage as was, and he was told that this was the actual mileage. And then—

An hon. member: What make?

Mr. Young: Pontiac, 1963, sedan, colour white. It had four wheels and a steering wheel, but not much more.

But he bought the car and later he put it through the safety lane and it could not pass the safety test. In 1,000 miles of driving, it burned four quarts of oil, transmission was slipping after 100 miles; and he goes on to elucidate what was wrong.

Interjections by hon. members.

Mr. Young: This is the point though, the gentleman was told that the mileage was 39,444 miles; this was on the speedometer, the actual mileage. Relying on that, he felt he could safely buy the car; and he bought it. Then he checked to find out who had owned the car previously. He got the man's name; he telephoned him, and then got a signed statement from him that when he had sold the car 11 days before Mr. Whitehouse had bought it, the mileage was 65,000. In other words, the speedometer had been turned back by this amount.

Now, during this period, when I brought this to the attention of the Minister's department, and I say this in all fairness they did a very good job in checking on this matter. They found out that the car had passed through four or five different ownerships during that period, and had finally come to this gentleman in the 11 days.

There was no knowing who had set this speedometer back, but the fact is that Mr. Whitehouse bought the car in good faith, relying on the speedometer and it had been set back by this amount. The result was that he had a lemon rather than a fair car which he had hoped he would get.

Now, is there no way, Mr. Minister, by which protection can be afforded people of this kind? Certainly, with the passage of a car through various dealers and agencies, auction sales and what not—I can understand the difficulty here—but there must be some way that the consumer can be protected.

I asked the Minister at the beginning whether or not the speedometer can be set back legally in the province of Ontario. I had the impression that it could not, but other information may be available and may be true. But, if it is legal to set the speedometer back in the province of Ontario, then it seems to me the time is here for a device to be worked out, legally, in the statutes of this province, so that every time a car changes hands the mileage is registered so that in a case like this we can pinpoint exactly who set the speedometer back, and who in that way cheated the ultimate buyer of the car.

This is the matter that I wanted the Minister to comment on at this time.

Hon. Mr. Rowntree: Mr. Chairman, there are a number of points that have been raised in connection with the operation of the consumer protection branch, and I will try to deal with them as best I can, although they have been pretty much jumbled up as I hear. There has been a good deal of overlapping which is all right.

As I indicated to the hon. member of the New Democratic Party for Wentworth when he opened this discussion earlier, there were aspects through the federal and the provincial jurisdiction in this whole field which require some careful consideration and some working out without relying on technicalities of jurisdiction. If we do that, I do not think we are going to accomplish the purpose or the objectives for which this department was first established.

Accordingly, I would like to just comment briefly on the fact that consumer protection is sometimes used as a catch-all phrase having to do with the day-to-day purchases of the household. That is far from the case. The fact is that consumer protection involves the whole range of purchases and of business dealings which involves all of us as citizens,

all of us as members of the family, and certainly with great emphasis on those who have not had the benefit of education and schooling, if I could put it that way, or indeed of some experience in life having to do with debt counselling or debt management, as the case may be.

All of these things are mixed up in this great field and it is probably therein that lies the challenge for those of us who are concerned about trying to find some solutions to these problems.

Another aspect of this situation is that the vast preponderance of people, of business people and citizens, are decent, responsible and reputable people. The minority of business people are irresponsible and are the ones who take advantage of those who enter the marketplace in ignorance, if I could put it that way. The tragedy, of course, of the results there is that we have to then discipline the many for the sins of the few. And whether or not education will be of any assistance in that area I am not sure yet.

We do not know that education with respect to consumers themselves can go a long way to informing them as to what their rights are in the marketplace, by proper disclosure and putting the facts on the table. I think the only way business can be done intelligently is if the facts are on the table so, when the information is disclosed, the cost of credit and the effective rate of credit if you are borrowing money or if you are buying on time, or the credit charges with respect to goods being bought on time, are properly disclosed.

Proper representations with respect to the commodities in question—these things will then put the consumer and the buyer in the position of being, I hope in the long run, in a good position to make that final decision himself which is the decision of whether to buy or make a deal with (a) or with (b) or with some other vendor or lendor as the case may be. I think it is important that we not attempt to say that there is going to be a big brother over every citizen in the country, advising him with respect to the details of every financial transaction or of every purchase that he is going to make.

We can see that full, true and plain disclosure is made with respect to the transaction question; inform him of what his rights are, and his responsibility; and then put him in a position whereby he can make an intelligent and informed decision as to what is in the best interests of himself or indeed of his family.

It is against that background that I now would like to turn to the question of the provinces and the federal government in this field. Once again, we are faced with a situation whereby the jurisdiction in some areas is open to question on several counts. Firstly, and this is not technical discussion about the matter, but to put the factors before the House; there could be a question on constitutional grounds. But probably the question that is more important is within what jurisdiction the job can best be handled.

This is the aspect which I think offers the greatest appeal to the provinces in their deliberations in this field. And, frankly, I think from our recent discussions with the federal government and representatives of the new Department of Corporate and Consumer Affairs, that they are taking this view too.

The importance of the federal-provincial conference on consumer protection, which I expect will be held in September or October, looms rather large, because if the approach is going to be on the basis that I am suggesting to the House, there is a very high degree of hope that we are going to be able to put something together.

Then, regardless of where jurisdiction falls, some working arrangement can be established between the provinces and the federal government, so that the needs of the people can be met and serviced through the advice of the respective governments, and the protection bureaus and that sort of thing.

I do not think it is going to be good enough in this field for someone to come to our consumer protection bureau and be told that it is not our jurisdiction, and they had better go down the street to some federal department or something of that sort.

I will speak for myself and those in my department, and in this branch, that this will not be good enough for me or for them. None of us think that any success will be achieved in this field if we do not have a much better arrangement than that.

For instance, there is a good question as to whether price in the type of economy in which we find ourselves in Canada today, with the geographic and economic factors which affect us all, a good case can be made for the fact that no effective price control or marketing scheme can be imposed on anything less than a national level. Having in mind the number of producers and distributors of goods and commodities, and services, which are on a much broader basis than a single province, I think that, as I say, a good case can be made for this proposition. A good

case can also be made for it in the name of commonsense.

I am just chatting away without notes, in response to the points that have been raised. For instance I will point out some situations which are no doubt well known to us. I do not do them by way of being technical about these matters, but just to raise them.

For instance, packaging and weights, and measures are already covered and defined in The British North America Act as being within the federal jurisdiction. There is federal legislation on the subject. Whether that is going to be good enough to meet the needs and problems of the people, which have been discussed here this afternoon and tonight, I do not know.

This is another area. We have all got to get into this; maybe the effort has to be a joint federal-provincial effort. But this is the reason that the consumer protection conference with the federal government has got to be held at the earliest possible time. The last indication that I had was that it would be in either late September or early October.

We felt that, because all the provinces have gone ahead in this field, particularly with respect to the costs of credit and the disclosure of the cost of credit—and you will remember the select committee of this House, the report of which formed the basis of the consideration of this new department—we felt that it would be advantageous for the provinces to get together. In discussion they talked over their own desire for this type of meeting and we proceeded with it about six or eight weeks ago.

The result of that meeting, to which we invited the federal authorities, and which they attended, resulted in some advance work being arranged for this federal-provincial conference. This had to do with study committees.

Firstly, and subject to mutual concern, such areas as direct sales, the cooling-off period, and in this field, the breadth of coverage of direct sellers, licencing and bonding of salesmen, and sales contracts. Saskatchewan will provide the chairman for that, and New Brunswick, two individuals to be on that committee.

Then the question of uniformity in connection with the consumer credit contract, and what type of statutory terms and conditions should exist and the desirability of uniformity of this type of contract, again, regardless of whether it is federal or provincial jurisdiction, in all the provinces. Manitoba will chair this committee, and Ontario and Nova Scotia be represented on it.

The question of warranties is a rather important factor in this field. Warranties, and disclaimer clauses, which cut off clauses leading into assignments and holders in due course, and matters getting into the legal aspect of the situation, and the law of contracts. This is a very important situation, and British Columbia was prepared to take on the chairmanship of this committee with representation from other provinces.

We are now getting into the heart and guts of this whole subject when I give you the various factors which are involved in this field. I will go on and give you the other committees, in a moment, but first I think that I should point out that the desirability and constructive nature of the conference which we held some six weeks ago. This is demonstrated by the desire of all those concerned in co-operation with the federal authorities, not only to get the study groups on these vital matters established, with a view to having a report available at the federal-provincial conference, but to make the conference a worthwhile effort. We are looking forward to it.

The fourth committee has to do with prepayment privileges; default and forfeiture provisions; repossession rights; relief against acceleration; and forfeiture. This involves some rather interesting rules, and I will simply cite them to you.

There is what is called the rule of "78s" and that is against the sum of the balances. The protection of the credit grantor and the borrower on default; whether to seize or to sue; what rights should ensue to enforce the rights arising from default.

Consumers' equity in goods being financed is a mighty important aspect of the matter. Is the money paid on account to be forfeited, or is it to be retained and applied to the credit of the debtor? Advertising and the truthful representation of borrowing costs; product description were matters that were raised by some of the members earlier. Prices and specials and all other relevant matters are tied together under this broad heading of advertising under a committee which Ontario will chair.

The sixth group has to do with federal-provincial liaison in jurisdictional matters. The chairman of that committee is to be supplied by the federal department, who will explore, review, and co-ordinate in areas of mutual endeavour—and there are some overlapping jurisdictions.

Conflict of law and conflict of jurisdictions are not just trite phrases used to take up the

time of the members. The fact is that you get into transactions which are lawful for banks, on the one hand, for your federal jurisdiction to enter into, and other credit grantors, which would have a provincial jurisdiction. The nature of the conflict that exists there, and the problems of getting these situations correlated, so that there is some uniformity to the whole deal, so that the public—and after all it is the public in the final analysis who we are concerned with—can understand clearly and not be subject to sets or hidden information and so on.

Of course, this field involves banks and small loan companies and other credit grantors, and promissory notes, sales-finance contracts, and other relative matters and concerns. Now, these study committees will proceed at once to research and exchange information and material in their specific areas of assignments. There will be complete written reports to be distributed by each study committee to each of the governments involved.

There we are, in a nutshell. We think there should also be, related to these study groups, a central clearing house of practices and information which is being arranged through the federal authorities.

That generally is a broad outline of what has transpired right up to this moment. Quite apart from the legislation, particularly with relationship to the disclosure of the cost of credit, which various of the provinces have already enacted to date.

Information and education was raised here today and there can be no doubt that this matter is going to require—and we discussed this on the first opening of the debate on these estimates—an advanced and effective means of communicating what rights and obligations exist to people who are in the category of being consumers. That category means almost everybody, to be quite frank about it.

What success we will have in the schools, encouraging some course on the curriculum having to do with business in the domestic field; business in family life; what banking knowledge you should have and how to borrow money—I suppose this would be in the general area of the field that should be covered. But certainly newlyweds, and I suppose everybody today in our society, is liable to be projected into marriage on a happy and desirable basis without this type of education or knowledge.

Already, however, one of the boards of education in Metropolitan Toronto has interested itself in this field and is now considering implementing a course in this field of the business side of married life—what all young people should know about business, and things like that.

This, of course, takes us directly into the area of the new community colleges and whether or not there is desirable opportunity in the mainstream of education within the province.

Within my own knowledge, I remember the difficulties a few years ago of encouraging the local school boards to interest themselves in driving motor vehicles. It seemed at that age, when they had the children—the young people in there available to them—that that was a desirable place and time to do this, and they offered this instruction. I am sure the hon. members will be aware of the great resistance which existed at that time.

However, whether this can be done in The Department of Education, discussions are currently under way with that department and our own staff to see what can be developed.

In other words, this whole area is not being left idle by any means, and I must say it is an exciting opportunity to try and find the right method and the right vehicle to bring this information to the future adult citizens of our province. Frankly, far better that they get it at the beginning of their career than to end up in a mess financially or in trouble with regret and with other things that could happen without it.

Having all this in mind, there are and I, too, will have to speak generally, but there are some amendments to The Consumer Protection Act which were enacted and which answer the questions that were raised tonight. To clear up the obligations and the loophole dealing with itinerate sellers, the current amendment to the Act takes care of that situation.

But in the total broad picture against this background that we are discussing, and I hope I am hitting the subject on the point because this is what I would like to do, there are those areas of The Used Car Dealers Act, The Real Estate and Mortgage Brokers Act, The Collection Agencies Act and there are some amendments to The Credit Unions Act. These pieces of legislation come under the branch of the department, and we are trying to correlate the type of change that we feel we could recommend

against the past year's experience with the new department.

I must be quite frank with you and tell you we were ready to make certain recommendations and get our legislation advanced when the McRuer report came along. But there are certain things in all of those Acts that must be changed having to do with consumers rights or the rights of business people which are affected by this legislation.

Accordingly, until this could be researched and the further discussions held with some of the industries involved and with whom we must deal, we withdrew from our effort to advance the amendment to this session. Having in mind that they are probably—in all probability and without committing myself or indicating that I have any knowledge that anybody else does not have—but the odds are there might be a session this fall in which we would then shoot for that session with respect to the amendment to this legislation which would enable us to further redraft and amend, having in mind certain of those recommendations of the McRuer committee. I do not think I would want to come before the House without having those things taken care of.

Some specific reference was made to the question of odometers and I would like to answer that. Of course, an odometer is an instrument that has a recording device which is related to the operation of the vehicle over the road and which gives an indication of the mileage which the vehicle has travelled. Not the speedometer, it is the odometer.

The case that the hon. member for Yorkview described—the Whitehouse case I think, he recited the facts quite accurately. The car had gone 65,000 miles whereas the odometer read something like 39,000. The vehicle had been transferred among three or four motor dealers and, of course, the wholesaling there, inventory which is apparently general practice in that industry if they think a group of vehicles do not move, they will sell wholesale to another dealer and so on. By the time the vehicle got into the hands of the ultimate purchaser—consumer—I think consumer is the word we are using tonight—it was in pretty poor shape and he had a proper beef.

To answer your question directly, there is no law other than a lawsuit based on fraud, at the moment, to deal with the Whitehouse matter. There is, however, available the facility of the consumer protection bureau which has been fairly successful in bringing pressure to bear, and I think the word is persuasion and it worked here. I think the final seller recognized his—what I think were really his legal obligations and his moral obligations and got it squared away.

It is not the kind of a situation any of us like to see perpetuated or repeated, because it means there is something under the table and that is the opposite of what I think all of us here are trying to achieve. We want a deal on the table. If the truth were told, the fact of the matter is—and I would like to record this—I understand and I know the hon. member's interest in safety and in the effect that he thinks a sealed odometer would have with respect to the public.

I would like to add just a couple of comments, without derogating from his position at all, because I think his position is important to this debate and is important to the case. But the fact is that I do not think that an odometer is any test by which a prudent purchaser should rely in making.

It is only one of many factors, and I could imagine a vehicle at 65,000 or 75,000 on its record being a better vehicle than one that has only got 10,000 miles and has been abused and knocked about, and so on. But as the hon. member points out, that information on the odometer is a factor that should be disclosed to him in its truthful state. I think this is maybe what we are saying.

Well, the practical problem, and it is not being ignored, is how to word a clause that will describe this odometer unit and which will make it a requirement to have it on the vehicle, having in mind a small technical feature of the odometer itself. The odometer that you and I think about usually is the reading on it showing the actual mileage on the meter. But the odometer itself involves another major item which is geared in some fashion to the working parts of the motor car, and is then connected to the reading meter by a set of linkage—whether it is by a chain link or whatever it is or how it gets up there and conveys the reading.

There are really three basic parts—the reading meter on the dashboard, the basic unit connected to the running gear, and the linkage which connects those two parts together. The problem is how do you describe something like that, having in mind that they are three separate units within the one?

When I point out the difficulties, I do it in just that spirit, I am not saying it is impossible, but it is not just the easiest thing to settle, and it is not the easiest to produce, even though it has been talked about for some time. It is not the easiest thing to

produce an answer for overnight, but that is being worked on.

There has been so much said I have just forgotten what was said on this point, but we are talking about legislation and I want to be very frank and say to the House that the only authority that my department would have in this field would have to do with used car vehicles, even though used car dealers probably include almost, if not all, new car dealers. But our control is effective on our department through used motor vehicle dealers.

Any control or direct control at the moment on new car dealers, including new car warranties, would be through another department of the government. I do not remember whether somebody commented on that, but I think it must be obvious that it is a good question whether those two factors should not be united together and I would have to concede that.

Now, the last item that I think I would like to deal with had to do with a reference by the hon. member for Kitchener in his remarks when he referred to a report of the commercial law division of the Ontario section of the Canadian bar association.

I, too, received a copy of that report about a week ago and arrangements are already under way to meet with the spokesman for the section and to sit down and go over the recommendations which they have taken so much trouble to submit to us. I think that would conclude the comments that I would like to make.

Mr. Chairman: There are about five or six members up all at the same time. I think the leader of the New Democratic Party was first.

Mr. D. C. MacDonald (York South): Mr. Chairman, the Minister a few moments ago was critical of the Opposition speakers giving a second lead-off speech. I must congratulate him. He has just given a lead-off answer that exceeds the lead-off speeches and covered as far ranging an area as they did.

I do not say this critically, I think consumer protection is an area that is a unit in itself, and I think if we are going to deal with it, I do not think we could have avoided the kind of thing that has happened.

Hon. Mr. Rowntree: I have tried to deal with this matter.

Mr. MacDonald: You have tried to deal with it, but my criticism would be that you have wandered generally and not dealt with a lot of the specifics which I am most interested in—specifics that were raised by the hon. member for Kitchener and the hon. member for Wentworth.

My chief concern with this legislation, Mr. Chairman, legislation on consumer protection and the consumer protection bureau, is that surely it is far-ranging, it is very far-ranging. The Minister has given us some glimpses of his own concept of the difficulties in implementing it and ironing out the division of jurisdiction between the province and the federal government, and he has indicated by implication that here is one of the main areas which has inhibited them doing an effective job.

Hon. Mr. Rowntree: On that I should like to comment and maybe this would be the point. There is no doubt that the operation of the consumer protection bureau itself is in two phases, two parts.

The first is the various sections which are located at Edward Street, as are the physical premises of the bureau itself, and as of about last—something in the general area of—October the volume of enquiries which were being handled by the bureau reached some 1,500. They faded off somewhat from that down to an area of, I believe, something in the order of 1,150 a month or 1,200. I am not trying to interfere, but maybe I did not elucidate as far as I should have.

There are some areas in the province where debt counselling is a very active situation, or there is a need, and we have, as of the moment, made arrangements in two areas—one in Brantford and one in London—whereby the local debt counselling operation on a volunteer basis would be subsidized by the department up to a limit of $5,000. There are two agreements which are currently in force on that basis.

What the arrangements would be in some occasion, I mean some other period, I do not know, but I would think that those two areas and agreements which we have negotiated would probably form the pattern and the base for this type of thing, which I think there is ample room for, and they can do a service on a local basis that I do not think a centralized body can do.

If I have left anything out it has not been deliberate and I would be glad to answer.

Mr. MacDonald: What I am trying to say, Mr. Chairman, is that I do not want to go into specifics so much as to say that the Minister has not really grappled with the areas

that still have yet to be effectively tackled in consumer protection. Many of these were listed, whether it be advertising or packaging or one or another kind of deception. I would say that this kind of legislation—I am sure this is generally, if not unanimously agreed—was a step in the right direction, and I would say to the Minister that he has assembled a group of people who are doing as effective a job as is possible with the instruments that they have in their hands. But the point is—the instruments are almost wholly ineffective.

Hon. Mr. Rowntree: I cannot accept that.

Mr. MacDonald: Just let me finish. I think they are almost wholly ineffective. What you have at the moment is a toothless tiger in terms of really coming to grips with the problems that the consumer has to face. I do not want to range over all of the areas that have been raised by the lead-off spokesmen for both of the parties. I do not know whether the Minister is going to deal with them; he was not particularly taking down notes, but there were at least six or eight in each of those so called lead-off speeches.

Let me give you a couple, to show you the kind of problem that disturbs me and leads me to ask a general question of the Minister.

What is the Minister going to do to amend the Act to give his consumer protection bureau real power to do something about a situation other than to lament. We have lots of lamentations. The consumers' association and the general public—"Action Line," and all of the various media outlets have been lamenting for years. We have passed the stage for lamenting.

If I can draw a parallel—I regard the superintendent of insurance as being in consumer protection. This is another branch of consumer protection.

My criticism, as I indicated to the Minister when we were talking about this yesterday, was in his concept of the superintendent of insurance being the honest broker. This is hopelessly inadequate. If the superintendent of insurance is not going to be a man who is going to look at the contracts; make certain that the contracts are not drawn up in a deceptive fashion; and relentlessly chase down suggestions that an insurance company is legally, or morally, mistreating one of their policy holders—then the superintendent of insurance is another toothless tiger in terms of protecting consumers in that area.

Now, let me give you a couple of examples. I do not know why you want to have two cooks stirring the broth. If you have a superintendent of insurance who is supposed to be supervising the field, I would suggest that he is the appropriate person to be given the necessary powers not to act as an honest broker, but to act as somebody who is going to genuinely protect the consumer. When you have done that then you would have answered the question that I raised with regard to this superintendent of insurance.

Hon. Mr. Rowntree: That is not a correct interpretation of what I said.

Mr. MacDonald: The Minister is getting very exercised.

Hon. Mr. Rowntree: No I just want you to remember that I sit and listen to you talk all day.

Mr. MacDonald: Well if it is of therapeutic value to the Minister to interrupt, I am enjoying it. Maybe he needs some therapy at this point. It is the end of a long session.

However, let me get to the two points that I wanted to draw by way of illustrating my general criticism.

To show you how far-ranging is the field of the consumer protection bureau—I do not know whether the Minister is aware of the fact that it has moved into, but come to a dead-end, on the question of security deposits. A very interesting thing has emerged. One would assume under law—though this is a very questionable proposition—that if a person puts down $100 or $150 that he has some claim on it. But under law, strictly speaking, so we are advised by the solicitor to the law reform commission, if perchance the apartment building is sold, the new owner has no obligation at all to repay. And you get into a wild goose-chase in terms of trying to find out whether or not the person who has paid this security deposit is going to have any possibility of reclaiming it.

For example, there is one that is now very current and very well known. I can assure you it is well known in my office, and I know it is well known in the consumer protection bureau; that is the West Toronto Towers apartment at 103 and 105 West Lodge Avenue. These buildings were originally owned by a member of the urban development institute which presumably had drawn up a code whereby they are all going to respect security deposits. The man who has bought it is also a member of the UDI, but he is absolutely refusing to accept obliga-

tion for the security deposits that were paid to the previous owner.

My office has been working with some of the people, and I think we have gotten two of them reclaimed. Let us give credit where credit is due—the consumer protection bureau has gotten three or four security deposits reclaimed from this new owner. But this new owner now just hangs up the phone in your ear if you call. He says, in effect; "You prove that I have got these deposits." Well, the matter is going to go into the court. It will be interesting to see what happens, but the fact of the matter is that there are some 20 former West Toronto Towers tenants who are standing more or less helpless. This was the field which your own bureau came to the conclusion that it was a legitimate area for them to move into. They cannot act effectively.

An hon. member: Well they have now!

Hon. Mr. Rowntree: Large number of situations. I do not want to interrupt your speech but the law reform commission is doing a study on The Landlord and Tenant Act, and this matter of securities and the subsequent holder of the leases, in due course, and that sort of thing has some legal implications. Their own protection bureau has submitted a brief indicating their experience with this situation, and asking that this be considered by the law reform commission when it is reporting on The Landlord and Tenant Act. It is a step. The director did not stop.

Mr. MacDonald: The Minister has confirmed the point I am trying to make—that, in all of these areas, whether it be packaging, whether it be advertising, whether it be security deposit—go down the list of which there are 100, 200 or 300—there is not effective power. That is why they are at this stage—pretty much of a toothless tiger. The hon. Minister may say that you have got to wait for a study to come back for the law reform commission before you can grant them the necessary power to move in the instance of security deposit, but what are you doing for example to grant them some power to do something in the instance of advertising? And why do you have this kind of advertising that my colleague from Yorkview has documented? Surely that is deceptive. Your reply was that, at the moment, as in the incidence of odometers, the only thing you can do is to take action by way of suing for fraud. Well this is the same kind of situation and attitude that the government took before we moved into the whole used car racketeering that was going on. The government's standard attitude until then was: "You have an obligation if you got the raw end of a deal, you must take it into court." But the government finally recognized that there was a legitimate area for the government to move in to make certain that people would be protected so that they would not have to throw good money after bad to pursue some court action.

Hon. Mr. Rowntree: In all fairness now, I am sure you are familiar with the legislation that you are criticizing. Now what do you think of section 31?

Mr. MacDonald: What about it? Just offhand.

Hon. Mr. Rowntree: Now that is a pretty good statement.

Mr. MacDonald: I do not recall it.

Hon. Mr. Rowntree: No. I am only pulling your leg.

But there is a section 31 under the heading of false advertising where, in the opinion of the registrar, any seller who is making false, misleading or deceptive statements, any advertisement, circular or pramphlet, or a similar material, the registrar may order the immediate cessation of the use of such material. Any such order is subject to review and appeal in the same manner as an order respecting registrations and so on.

Now using section 31, the bureau has had a high degree of success in dealing with complaints which it has received on the subject matter you mentioned.

Mr. MacDonald: Well the Minister assures me of action, but in how many cases? Let me pursue this. In how many cases, for example, during the last year since the bureau has gotten into operation, have you taken action and had "a high degree" of success?

Hon. Mr. Rowntree: Of the complaints they received, they made orders involving 35.

Mr. MacDonald: And these have all been prosecuted successfully?

Hon. Mr. Rowntree: No. They were complied with.

Mr. MacDonald: You made orders and they complied with the orders.

Hon. Mr. Rowntree: In other words the persuasion aspect is well worth it and there was no need to proceed any further.

Mr. MacDonald: Well, fine!

Let me give the Minister another example. Here is a case of a man who sent in a letter to our office in the first instance over being rooked—let me put it in the vernacular—rooked in the purchase of a piece of furniture from the National Furniture Manufacturing Co. in this city. When the matter was drawn to the attention of the consumer protection bureau, it looked into the matter and a reply came back to me. I am not going to mention the name, nor am I am going to mention the official. For the moment, let us keep this on an anonymous basis. But in it was this interesting paragraph: "Should Mr. M. [the man who was rooked in the purchase] elect to obtain credit . . ."—I am sorry, I should have indicated that the merchant refused to do anything about it, but then said he would grant a credit, but only on the purchase of further goods at his same place of business.

Now let me quote:

> Should Mr. M. elect to obtain credit by the purchase of another suite, we would recommend that he do so very cautiously. Perhaps he should arrange it be set up by a party unknown to the store, agree on a rigid selling price, and then introduce the subject of credit of $36.75.

Again I do not say this critically of the people in your consumer proteection bureau, but, Mr. Chairman, there is something wrong when the consumer protection bureau comes to the conclusion that this man is acting so fraudently that it advises a consumer to stage a purchase, in order to make certain that they are going to get that money or get that furniture at such and such a price so that the credit will not be eaten up with inflated prices.

I am trying to illustrate to the Minister the ineffective areas of operation. I come back to my basic question—as far as the general public is concerned, what they say of the consumer protection bureau is good; it is a good start; it is a step in the right direction, but so far, in all too many of the main areas of lamentation down through the years, they have not the power to really do an effective job. Therefore what I am interested in is to hear from the Minister—I trust at next session and no later—a series of amendments that are going to zero in on those particular areas where they have not been able to do an effective job. I think, so far, they have done the very best they can with the ineffective weapons the Minister has given them.

Mr. E. W. Martel (Sudbury East): Mr. Chairman, I listened the other night as the Minister made his presentation and, after all the comments that have gone on in the House—particularly by northern members, I had hoped to hear that possibly the Minister would have by now ordered a study which would indicate why northerners are being rooked left, right and centre. I say this—and I will back it up with a couple of illustrations, some of which I have used as questions to the Minister; the very fact that shoe companies will ship to British Columbia and not to the north prepaid, and we pick up the tab in the north, and the transportation is supposedly to blame.

Hon. Mr. Rowntree: The hon. member is talking about the rubbers and rubber boots going, for example, to northern Ontario and to British Columbia and there were various factors that were different.

I think it is important in all fairness that you put down that the contract was made with Quebec manufacturers and that the deal was made in Quebec and the shipment was from Quebec to Vancouver and you are comparing that with some other situations on a sale from Quebec and the eastern townships to northern Ontario.

Mr. Martel: This is one example, Mr. Chairman, but it does not come to the point I am driving at. In here transportation is to blame. I am advised by the same shoe people that this is happening in all of the shoe industry.

However, we can take and make beer in the north, when there is not a strike, and ship it south and it gets here and sells cheaper in Toronto than it does right in the town it is produced in, so transportation cannot have that large a bearing on cost.

The point I am trying to drive at, Mr. Chairman—

Hon. Mr. Rowntree: That is pretty unusual.

Mr. Martel: I can also show this transportation disparity in dealing with commodities such as bacon, which, when the residents in the north started to picket the stores, was selling for 50 cents a pound dearer in northern Ontario.

What I am hoping for, out of all of this that we from the north have raised on the

disparity and the cost of living there as compared to the south—why there is such a delay in implementing a study which will, once and for all, try to bring about a better cost of living for the residents of northern Ontario.

The second point I would like to talk briefly about again deals with the gas companies. Three aspects—and I will deal with them very briefly—about which I ask the Minister if he will do something in this area as well.

The commercial and unbranded dealers, which now represent 33 per cent of the consumption of gas in Ontario, get their gas for four or six or seven cents a gallon cheaper. I believe, Mr. Chairman, to the Minister, that, because of this disparity, the gas companies must increase the cost to offset what is lost.

Hon. Mr. Rowntree: Just so the record may be clear and we will all understand, the member is talking about petroleum products —gasoline, not natural gas?

Mr. Martel: Yes, Mr. Chairman.

The second portion I would just like to mention is the tire, battery and accessory game that is being played. I have been advised that there is a 15 per cent kickback to the petroleum companies if they will force some of their dealers to sell certain brands and only certain brands.

In attempting to track some of this down, I wrote the Minister of Corporate and Consumer Affairs about one specific case and one specific memorandum which was presented to the Minister in August of 1967. Now, they sent me everything, Mr. Chairman, except this one memorandum that I wanted. I do not want to name the man involved at the present, I will give it to the Minister if he is willing to go along with what I will ask him to go along with, but—

Hon. Mr. Rowntree: The member is now speaking about the federal department, not the Ontario department?

Mr. Martel: Yes, the federal department. I am trying to get a memorandum which they refused to give up. They say it is interdepartmental.

However, the man involved in this maintains that he knows, beyond the shadow of a doubt, that here is price-fixing in the gas industry. Now, the Consumer and Corporate Affairs Department sent me everything—the B.C. study—sent me more studies than you can shake a stick at—except the one that I wanted, the one that was presented last August, where, apparently, an employee of one of the major oil companies made a statement to them.

I am asking the Minister if he thinks what I have been presenting for some months now on the gas industry is wrong. If he would attempt to get this memorandum—and perhaps he would get me a copy at the same time—we could have this shadow that hangs over the gas companies cleared up once and for all.

At the present time I am firmly convinced we in Ontario are getting rooked and rooked properly, and I would ask the Minister to take this into consideration, along with the study on northern Ontario costs.

Hon. Mr. Rowntree: I would be glad to discuss it with the hon. member, and I understand the member will identify to me the document which he could not get from the federal authority, having to do with the fact that it probably has a bearing on his.

Mr. Martel: And what about the prices in the north, would the Minister consider a study to look into this whole matter?

Hon. Mr. Rowntre: Yes, I have a survey and study with respect to gasoline prices—that is, retail gasoline prices—as they exist in northern Ontario in relation to the similar current prices in southern Ontario.

Mr. Martel: Just one more question. I do not want to push this too much, but I am just wondering if the Minister would have a study into the overall cost of living in northern Ontario as compared to southern Ontario and why there is such a disparity?

Hon. Mr. Rowntree: I think I had better complete one thing at a time.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, earlier in the debates the Minister had made mention of the fact that education is probably the most important aspect as far as consumer protection is concerned. He likewise mentioned that he is consulting with The Department of Education with the hope of probably having some type of programme at the junior college level or the community college level.

May I say to the hon. Minister that that is a little too late. The education should really be given in the lower levels of a secondary school, or maybe even in the senior levels of elementary school. It is those who

do not get the education who really need the protection. Those who are better educated can fairly well take care of themselves as far as consumer protection is concerned. But the individual who does not complete much more than a grade eight or a grade ten is the one who generally thinks he knows and finds himself trapped.

Likewise in his comments, the Minister mentioned a debt counselling service and he made mention of two centres in which the department planned on subsidizing a programme. My own community, the city of Windsor, has attempted to set up a debt counselling service—

Hon. Mr. Rowntree: We are doing it now.

Mr. B. Newman: You are in there now, and you will be assisting them financially? I am very pleased to hear that, it certainly will perform a much needed service in the community.

There have been various service clubs and family counselling services that were sincerely and conscientiously interested in this and I know they will be more than pleased to know of this.

Now I would like to mention one specific thing and that is unwanted advertising. In my own community, as in all communities, there is a chamber of commerce that has a better business protective bureau. Not too long ago—in fact, it would be a little less than two months ago that approximately 50 different concerns in the area made complaints to the chamber of commerce concerning advertising invoices that they had received for promotion from a concern, an Edmonton concern, known as Atomic Productions. This company controlled distribution of invoices from *Veterans' Hospital Journal, Police Safety Guide, Union Truckers Directory* and *White Cane Carrier.* Invoices were presented to concerns in the community.

These concerns knew nothing about this whatsoever and a lot of the concerns, rather than do anything, just mailed a cheque to the Edmonton firm and said nothing about it.

Is there any way that this can be controlled, Mr. Chairman, so that we will not be confronted with this type of nuisance plaguing the businessmen in the community?

Hon. Mr. Rowntree: Has this been brought to the attention of the bureau? I think if you were to give us particulars of it and the situations involved, we believe we could do something about it.

Mr. B. Newman: I will be more than pleased, Mr. Chairman. I thought surely it was. It was in my own community that I thought more than likely some members of your department would have heard of the thing, especially when the chamber of commerce made mention of it.

I will bring it to your department's attention. I am very pleased that they are interested. In fact, I will send this clipping over.

I would like to, likewise, bring up a few other topics and that is, does the department check on some of the prizes that are being awarded by various types of contests? I am specifically thinking of these gasoline station—the gas dealers' prizes; they give certain types of awards. Is there no control over that as to whether these prizes are actually given?

I know I made mention in my Throne speech, Mr. Chairman, of the award being given by a commercial organization in my community and yet, when I sent a letter to that person who was supposed to have won an award, there was no such person. So I am just wondering whether there is any check made on the various types of prizes that are given by business concerns in communities throughout the province of Ontario?

Hon. Mr. Rowntree: We have not done any checking along that line. The question of some of these prizes and coupons and what not have come under the investigation and comment of the Attorney General (Mr. Wishart). I would add this comment, that I know of two people in the community where I live who claim that they have benefited and paid off from matching coupons with gas—

Interjection by an hon. member.

Hon. Mr. Rowntree: Yes, there was one of those. I thought you might have recorded that.

Mr. B. Newman: Well, is it the responsibility of this bureau, Mr. Chairman, to see whether this is a legitimate operation or not? Is it a responsibility of the consumer protection bureau?

Hon. Mr. Rowntree: I would think it is possibly a matter for the police or the Attorney General, because if it turns out that it were improper it would be a fraud.

Mr. B. Newman: Thank you, Mr. Chairman. I would like to ask the Minister if the packaging of frozen foods, would that come under this department at all or would that be federal?

Hon. Mr. Rowntree: No, frozen foods and sale of meat deals by the quarter, hind or whole carcasses comes under The Department of Agriculture and Food with whom our officials collaborate and co-operate.

Mr. B. Newman: Does the department study any of these food freezer deals that are—

Hon. Mr. Rowntree: We certainly do.

Mr. B. Newman: You do.

I will turn some over to the Minister then. The comment I would like to make is on the frozen food, Mr. Chairman. Maybe there should be some dating as to when frozen foods are packaged so that an individual who goes into a store knows he is buying foods that have not been pre-packaged not months but possibly years ago. He should know that the foods have at least been packaged recently. There are several other comments I would like to make later, Mr. Chairman, but I will allow others to speak.

Hon. Mr. Rowntree: With respect to the question of freezer plants, under recent amendment to the legislation this session we can now register those in that particular business and we think this is going to give us the teeth that will enable us to eliminate this type of operation.

I think one other type of improvement that will be of assistance has to do with the itemizing of the type of the number of units in one of those package food deals so that the consumer would be able to enumerate and do his own pricing and see whether or not he is getting a good deal.

At the moment, they simply talk about a $189 package plan for 10 days or something of that sort which gives really no information at all.

Mr. B. Newman: Mr. Chairman, does the Minister wait for complaints as far as the food freezer groups are concerned, or do you check to see that their advertising is legitimate or not?

Hon. Mr. Rowntree: We check the advertising and we act on complaint.

Mr. Chairman: The member for Humber.

Mr. Ben: Mr. Chairman, I was curious whether an automobile which you feed a gallon of gas containing "platformate" really does travel all the way to Banff. I do not know if it goes through the jurisdiction of this Minister, but actually I rise, Mr. Chairman, arising out of what the hon. Minister said about odometers.

You may recall that last year I asked that you amend The Used Car Dealers Act to provide that record be kept of all repairs. I suggested every automobile now manufactured should have within it a log book because I understand the difficulty the Minister expressed about keeping control of odometers and how they function and the repairs on them.

I also agree with the hon. Minister that the least accurate way to check on the worth of an automobile is to check the odometer, because there is no indication of how well a car was looked after, how it was serviced. That is why I suggested that it be mandatory that each automobile be issued with a log book in which the owner would have to register the miles, and every mechanic who serviced the automobile would have to record repairs or services rendered to that automobile and the mileage at which it was rendered.

Now, if this log book was kept up to date it would not matter what happened to the odometer because the record would be in the log book that certain repairs were affected upon the automobile at certain miles. In fact, you would be having a safety check of that automobile approximately every 3,000 miles.

I know, Mr. Chairman, as the Minister stated, new automobiles do not come in his jurisdiction, but I do not think there is much to prevent the hon. Minister from speaking to the colleague in the Cabinet who is charged with that. I do not think there is any rule in Cabinet that you cannot have these discussions, and I would strongly recommend through you, Mr. Chairman, to the Minister, that he get after his brother in the Cabinet, whoever he may be, charged with the responsibility of viewing new cars and see that, in the future, log books are issued with each new automobile and some rules and regulations are made which would provide a penalty for their improper use.

Another matter I would like to bring up, Mr. Chairman, is that of promissory notes. I am aware, as is the Minister, that banking, bills of exchange and promissory notes fall within the jurisdiction of the federal government under The British North America Act, and I seek ways of getting around this stumbling block, just as many people who deal in these things get around being bound by the warranties and conditional sale agreements.

One of the big nefarious acts that occurs almost every day is this business of people suing on promissory notes which were taken as collateral in conditional sale agreements. They do not sue as holder of a conditional sale agreement, but as the holder in due course of a promissory note. They are no more holders in due course for value without notice, than any of the members here is the king on the moon.

Hon. Mr. Rowntree: I have seen situations where the note passes in due course, but the equities, or the balance, do not flow with it.

Mr. Ben: I am talking of situations where—

Hon. Mr. Rowntree: So the maker of the note has lost his right of set-off and so on.

Mr. Ben: Precisely!

Hon. Mr. Rowntree: It is hoped that at this conference and against the work of one of the committees, we will come up with some corrective legislation to block that situation once and for all. It is unholy.

Mr. Ben: I appreciate that the Minister informs the House that there will be discussion on it. However, I would like to offer some suggestions as to how this province could take the initiative. We cannot legislate in matters pertaining to bills of exchange and promissory notes in banking. But we can legislate in reference to conditional sale agreements and our chattel mortgages. We can pass legislation which would make it unlawful to take as collateral to a conditional sales agreement, a promissory note.

After all, in a conditional sales agreement, there is already a covenant to pay. There is also a covenant to pay in a chattel mortgage. Therefore, we could also pass legislation to make it illegal to take as collateral, security to a chattel mortgage, a promissory note. To carry it further, I would suggest that we pass legislation to make it illegal to sever a promissory note from a conditional sale agreement.

We would not be passing on promissory notes, but on chattel mortgages. This way we could stop the people who buy promissory notes, and in fact sometimes buy the conditional sale agreement, and the promissory note. But when the buyer of an article or chattel refuses to continue payments because there was a breach of warranty, the person holding the promisory note, which is usually a finance company, will sue.

They will not sue on the conditional sale agreement, they will not even recognize that it exists. They sue on the promissory note, and claim to be holders in due course without knowledge of the warranty.

I have suggested and I am waiting to go to trial on some actions where I am claiming that the person who took the conditional sale agreement and sold it to the finance company is, in essence, an agent for the subsequent holder the promissory note. Therefore, the holder of the promissory note is not a holder in due course without knowledge, because he took through his agent, but this is getting into some legal arguments.

I still sugest that we should pass an amendment to The Conditional Sales and Chattel Mortgages Acts to make it a law for anyone obtaining one of those two instruments to take as collateral security a promissory note, and that way we could avoid a lot of the difficulties where people are sued as makers of notes and they cannot raise the warranty under which the note was given. May I have your comments on that.

Hon. Mr. Rowntree: Yes, I would be glad to have a look at the proposition that you have advanced.

Mr. H. Worton (Wellington South): Mr. Chairman, recently I had the opportunity to visit the Minister's department concerning a problem on a hearing aid sales contract. I must say, sir, that I appreciate the service that your staff gave me and cleared this problem up. But it has recently come to my attention that the hearing aid manufacturers are concerned with what they term "the bad apples" in the industry. I would like to know what steps are being taken to regulate these salesmen, because, quite frankly, I believe that it is detrimental to the industry and to those people in need of hearing aids, namely our senior citizens.

Some years ago, on the select committee on aging, we heard both from the people who need hearing aids, and the industry. The industry admitted that they neglected to act quickly enough, and that this has proven a great detriment to them. I would like to know what steps are being taken to bring about the successful conclusion to the problem?

Hon. Mr. Rowntree: The department has had meetings with the association representing the hearing aid distributors, and under the recent amendments to The Consumers' Protection Act, we now have the power to register those selling hearing aids, and with

it the right to withdraw registration. We think that this will supply us with the strength that we need.

Mr. Worton: Mr. Chairman, will this mean people just working for the industry, or will it mean the salesman who just buys and sells again. Will everyone selling hearing aids be included?

Hon. Mr. Rowntree: They register the company, and they in turn must control the seller.

Mr. Worton: But in this case I think it is the man who worked for the industry and was let go because he was not the proper type of salesman that they wished to have. He dealt in used sets, and I must certainly say that your people went through great difficulties to clear up this problem. They did a good job, but I do not think it has completely stopped this from going on.

Hon. Mr. Rowntree: If that situation occurred today, the man who went out on his own would have to register, or be subject to the restrictions of the bureau.

Mr. Chairman: The member for Kent.

Mr. J. P. Spence (Kent): Under this vote, I would like to ask in regard to the food council in The Department of Agriculture and Food. We have, in this province, companies packaging agricultural products and food which the people buy. The standards of packaging are very different, one packaged in ounces, and the other in pounds. The branch has been in operation for one year and a half. What progress have you made in bringing about some standards for product packaging for the consumer in the province?

Hon. Mr. Rowntree: You referred to food. I remind you that I said earlier that the question of food distribution, packaging, and supervision come under The Department of Agriculture and Food.

Mr. Chairman: The member for Brantford.

Mr. M. Makarchuk (Brantford): This is regarding your consumer protection bureau. This is the case where a small businessman is denied protection. In other words, from what I gather from his letter, he has talked to a Mr. Paul Jones in the bureau. I presume that you know the gentleman. I quote from the letter:

> Having been advised by yourself at that time that, because of the ways that the laws are written, I could not be considered a consumer, and, therefore, could not look to your department for assistance or advice.

Could the Minister advise just where your protection stops.

Hon. Mr. Rowntree: I think that you had better indicate and identify the subject matter for me. What is the date of the letter, and the period of time?

Mr. Makarchuk: It is a recent letter, July 8, 1968.

Hon. Mr. Rowntree: Yes, and what is the general subject matter of it.

Mr. Makarchuk: This small businessman bought some kind of vending equipment, I think. I am not sure what kind of equipment it was, but it was a case of misrepresentation.

Hon. Mr. Rowntree: This should be treated as a matter of vendor and purchaser. I think that the man that you are talking about was buying a resale, in business, in the course of the marketplace of the wholesale trade, and not as a consumer as we are talking today. We are talking about a consumer who is buying soup or cabbages for his own immediate consumption.

Mr. Makarchuk: Mr. Chairman, am I to take from that then that a small businessman who buys a piece of equipment, as in this case, does not have any recourse whatsoever to the consumer protection bureau if the—

Hon. Mr. Rowntree: Not if he is buying it for resale.

Mr. Makarchuk: No, this was not a case for resale. The equipment was purchased, Mr. Minister, for use in his own particular business, in this case it was a car wash. He was going to instal the equipment in the car wash. Anyway, he points out in his letter:

> I have been advised by the Ontario Hydro that the equipment in question does not carry the proper electrical approval markings and is not listed in the records of the Ontario Hydro, and also, according to Hydro regulations, it may not be legally offered for sale or use in Ontario.

He continues the letter, and says:

> There are a great many people in the same position that I find myself in, many of whom have already been forced to pay for these pieces of equipment. If a situation like this does not warrant an investigation by your department, then I would ask the purpose of your being there.

Now, I think the gentleman has a good reason. In his case, he bought the equipment. It was not bought for resale, it was for terminal usage, it was going to be used in his establishment; but when he got the equipment he found out that it was useless. Then, when he went to the consumer protection bureau he was told that they cannot do anything about it because he is a small businessman and, therefore, is not in their terms a consumer.

Hon. Mr. Rowntree: The extreme of the proposition that the hon. member has put is that we would, in the government, be supervising the sale and purchase involving every transaction there is. Now I would like to read to you what is exempted from The Consumers' Protection Act and has been for some considerable time.

The provisions of the Act do not apply to a person who buys goods or services for purposes of resale in the ordinary course of trade—now that is not applicable; or for use in the further production of goods or services. In other words, if he is buying as is the case of your friend, for use in the production of other goods and services, then he is on his own and it is the type of business transaction that is not a consumer-protection deal.

Mr. Makarchuk: From that, Mr. Chairman, am I correct in presuming that the small businessman could be preyed upon without the Minister of Financial and Commercial Affairs saying anything about it?

Hon. Mr. Rowntree: No, not at all. I think that small businessmen equally with large businessmen have to have an eye out for themselves as well. And if I had been answering the letter, and I am sure if you had, we would have probably made some inquiries on his behalf even though technically he was not within our terms of reference.

Mr. M. Shulman (High Park): Mr. Chairman, I am sure the Minister will be pleased that I have a 300-page manuscript here on many of the subjects which we have discussed tonight, a copy of one of next year's best-sellers, and I do not wish to go into it in great detail at this time.

Mr. Chairman: Order, order!

Mr. Shulman: It might hurt the sales, but there is one matter which I would like to refer to under this particular vote. This is the sale of used cars carrying certificates of mechanical fitness. This is a subject on which I have some little knowledge because of some experience which I had in a previous occupation.

Hon. Mr. Rowntree: I think I should point out to the hon. member that certificates of mechanical fitness of motor vehicles, including used cars, come under The Department of Transport, not under this department.

Mr. Shulman: Well, is this not a part of consumer protection, Mr. Chairman?

Hon. Mr. Rowntree: No, it is regarded as a safety item.

Mr. Shulman: In that case, Mr. Chairman, I shall save all of this for Monday for my Budget speech. Thank you.

Mr. Chairman: Is there anything further under the consumer protection section of this vote?

Mr. J. Renwick (Riverdale): Mr. Chairman, before you leave the vote, I have noticed, Mr. Chairman, and I thought the Minister undoubtedly has noticed, that Fraser Robertson is continuing his dialogue with the Minister; I was hoping sometime during the course of his estimates perhaps he would like to comment on Fraser Robertson's column of yesterday or of Tuesday. The point that I would like to ask the Minister to consider simply is a suggestion or a recommendation for the department to take under its purview the whole area of tenant protection.

I do not think it is too much of an extension of the use of the word "consumer" to include the tenant in the apartment or the tenant in rented accommodation, which is rented for his living purposes. I do not want to go into it at great length but my purpose in making the recommendation is that I am quite certain that so long as it is involved with The Attorney General's Department, and the ancient traditions of the law and the archaic principles that are surrounding it, it is not going to be brought up to date quickly and efficiently.

I am quite certain that the study which the law reform commission is doing will be of great benefit in removing a large number of the archaic provisions relating to tenant accommodation. But I think it will still be dealt with in the framework of the law, rather than in the framework of the protection of the tenant in our society.

I am not suggesting for a moment that the landlord also does not require protection in some areas. But by and large the landlord can manage the protection for himself one

way or another, and the market will respond to provide him with the protection in terms of the rent which is charged for the accommodation.

The leader of this party raised tonight the question of security deposits and I know that the consumer protection branch has been involved in security deposits in a peripheral way and has been helpful in some instances.

Hon. Mr. Rowntree: I have an answer to your leader's question; maybe you will permit me to give it. We have handled some 460 instances, requests for assistance dealing with security deposits on apartment rentals. Through moral suasion, as we were saying, my people have been reasonably successful.

Mr. J. Renwick: Well, I would like the department to consider extending its activity in this field to matters such as working on the commercial aspects of a standard form of apartment lease. It seems to me that departments such as yours can make very valuable contributions away entirely from the traditional legal framework in which it has been considered. I would think that your department could make very effective recommendations about the abolition of the right of distress of the landlord, an assessment of the extent to which the landlord is using the right of distress.

Hon. Mr. Rowntree: Maybe we will be transferring the remainder of that other department over to this new department.

Mr. V. M. Singer (Downsview): If you want the fellow on your other hand—

Hon. Mr. Rowntree: We were not talking about that one.

Interjections by hon. members.

Hon. Mr. Rowntree: No, he was talking about legal departments.

Mr. Singer: Well, the Attorney General has and he has; and you are all going to do it at the same time. Maybe somebody will do it.

Mr. J. Renwick: I would think that the Attorney General has ample to occupy himself without getting involved in the protection of tenants. The fact is that he has been so occupied that they have not spent any time on the basic questions about the need to protect the tenant in the large metropolitan areas. Other items which I think that the department could very well study are these clauses which outlaw or restrict the tenant's right to purchase milk and bread and other commodities within an apartment. I think there is this whole field of the charges which landlords make for subletting to study, and the difficulties which a tenant gets into when he is forced to move for one reason or another because maybe his job has changed and he is moving to another location. He has the problems which are involved in financing the move as well as the payment for the new accommodation. There are many such areas as these, including the kind of unreasonable clauses that the member for Downsview dealt with earlier, which in my view are not going to be adequately dealt with speedily and efficiently if left entirely in the purview of the Attorney General's department. I do not think the Attorney General's department is oriented to consider the position of the tenant as a consumer and he is consuming in the sense that he is renting accommodation and using it for his living purposes.

I know the department can well afford to be expanded when you compare the number of dollars involved in the estimate of this important department with other departments. There is certainly no sense that this department is going to gobble up all the others. I think if one examines the estimates of the important departments of government, it has about the smallest number of dollars for the purposes for which it is being used.

Hon. Mr. Rowntree: $3.2 million.

Mr. J. Renwick: Yes, and I think that there is a wide area of the expansion of the work of the department and I recommend that between now and next year this department interest itself in the way it has begun to be interested in this whole area of what is a modern, up-to-date attitude toward the protection of the tenant; what the tenant's rights should be in our society, and what his department can do to ensure their protection.

For example, without labouring the point unduly, nothing you do about security deposits—apart from abolishing them entirely—is ever going to solve the problem if it is left on a purely contractual basis. I think there has to be some branch of government where the initiative will be taken to ensure the prompt and quick return of the security deposit in the settlement of that kind of problem.

Interjection by an hon. member.

Mr. J. Renwick: Well, this is the point I have just been making, if the member for Humber would—

Mr. Chairman: The member for Riverdale was speaking about tenants and suggests that—

Mr. J. Renwick: That is right. Rental protection should be afforded through the consumers' protection bureau.

Interjection by an hon. member.

Mr. Chairman: The member is on a point of order?

Mr. J. Renwick: Perhaps the member for Humber could read my remarks in *Hansard* when they appear and that will be a correct record of what I have said.

I would like to refer to a comment that the member for Humber made earlier this evening and that is on this question of the misuse of the promissory note. In dealing with it one cannot lose sight of the fact that a promissory note is a very important commercial instrument, and we must not destroy the value of that instrument in this particular field.

But rather than the mechanical way in which the member for Humber wanted to treat it, and that is whether it is detached from the contract, or some such other mechanical way, it would seem to me that this province could again, as part of the work of solving some of these problems which have an application all across Canada, very readily prohibit the use of the promissory note on the purchase of consumer goods in the way in which consumer goods are defined within The Consumers' Protection Act.

Hon. Mr. Rowntree: Or insist on the equities.

Mr. J. Renwick: Or insist on the equities following the promissory note, one or the other.

I happen to think that, for practical purposes, you could prohibit the use and still not interfere with the finance company which ultimately would end up with financing that contract, using that contract itself in turn as collateral for borrowings from banks or other institutions. I think that the credit companies would adapt themselves very, very quickly, because everyone knows that it is not the fact that there is a promissory note which maintains the credit market.

The fact of the matter is that the credit market is maintained mainly because most people honour in good faith the obligations which they assume. I think that the loss ratio of the finance companies over the last 20 years in Canada shows that the reserve which they have to make for losses is negligible in terms of the volume of business which they do. I am quite certain in my own mind that a very simple prohibition by this province of the use of the promissory note as an ancillary document in the purchase of consumer goods within the ambit of this department would solve a great many of the problems.

It would certainly solve the dance studio problem very quickly, in my view, and it would solve many other problems without—and I just simply reiterate it—in any way affecting the use by the finance companies of those contracts with the banks and with other financing institutions for the purpose of borrowing money to maintain the flow of funds through the credit market.

Mr. Ben: That is exactly what I said, if you had been listening.

Mr. J. Renwick: Mr. Chairman, I think those are the only two remarks, and I would appreciate a brief comment from the Minister on them.

Hon. Mr. Rowntree: The type of contract, instalment contract, whereby the equities are lost as a result of the assignment of the promissory note, creates a very serious and unfair and inequitable position for anybody to be in. I would like to record—the opposition always like to do the recording—I would like to record a situation with the House that I think was unconscionable and which came to our attention some three or four months ago.

It involved the same type of circumstances, an instalment contract to which was attached a promissory note, but in the main body of the contract which set out so many months to pay re cost of financing and so on, it gave a condition in favour of the vendor of the goods that should he ever assign the promissory note that the assignee of the note, the subsequent holder in due course, would have the right to call the note at his pleasure. This was being used.

I have actually seen the printed forms embodying this unholy, unconscionable document, whereby the situation that we have discussed—the hon. member for Humber and the hon. member for Riverdale—whereby the subsequent legal holder in due course would be able to deal with the note, but not have to honour the equities.

In the case I am describing, he had the right to make the note due and payable at once, and in some cases did so. So there are people who require somebody to look over their shoulder. I might say that it was a major Canadian institution, one of the largest

of the Canadian financial institutions, that was using this form. They are not now using it and it has been withdrawn, in some attempt to restore their otherwise good reputation.

I am hopeful that that item will be the first of the major legal items dealt with by the committee.

Mr. Ben: I would like to, before this item closes off, deal with something that has not been dealt with. The hon. member just repeated the words that I repeated previously. Unfortunately he was not listening or he would not have got up and made the speech. At any rate I want—

Mr. Nixon: You will read it in *Hansard.*

Mr. Ben: He can check in *Hansard.* I want to deal with real estate and business brokers, an item which has not been dealt with. First of all, you know you are talking about consumers' protection. I think one of—

Hon. Mr. Rowntree: What item is that?

Mr. Ben: Vote 704 we are dealing with.

Hon. Mr. Rowntree: We have dealt with the consumer protection bureau and are now up to the registration and examination branch. Very well.

Mr. Chairman: Is there anybody else that wants to speak on the consumer protection bureau before—

Mr. B. Newman: Yes, Mr. Chairman, I have one concerning the purchase of auto vehicles by individuals under the age of 16. I think there should be some protection given to prevent the purchase of an automobile, a motorcycle, or such vehicles—

Hon. Mr. Rowntree: That is The Department of Transport, Mr. Chairman, nothing to do with our department.

Mr. B. Newman: Well, do you not think, Mr. Chairman, that the Minister should be interested enough to—if not handle it himself —to relay it to his colleagues so that an individual of any age should not be allowed to buy an auto vehicle, and in that way eliminate some of the problems of delinquency that may arise as a result of a youngster purchasing the vehicle.

Hon. Mr. Rowntree: I will be glad to pass that along.

Mr. B. Newman: Mr. Chairman, if I may ask of the Minister, has he received many complaints concerning chinchilla breeding, because I have noticed in a press release that this apparently is one phase of enterprise in which there are quite a few complaints and where an individual has the idea that he can breed chinchillas in a garage or in a basement, in practically any place in the home. This is not the case whatsoever. In fact, the comment is—

Hon. Mr. Rowntree: The answer to the question is yes. There are about 20 inquiries.

Mr. B. Newman: I beg your pardon?

Hon. Mr. Rowntree: The answer to the question which you had in the early part of your speech was: there have been about 20 inquiries.

Mr. B. Newman: Mr. Chairman, is the Minister following through with this? Is he looking after the problem?

Hon. Mr. Rowntree: I am not personally, but the branch is endeavouring to do so.

Mr. B. Newman: Well, Mr. Chairman, I am not attempting to be funny whatsoever. I do not intend that you would be looking after any of the problems. I think that you have sufficient staff that you can delegate the problems to them.

I would like to ask the Minister is he is considering placing a requirement that manufacturers put a life expectancy on certain types of appliances. I know this is one of the things that is being given serious consideration in the United States. Say, a washing machine good for 1,000 operating hours or a toaster good for 2,000 or 3,000 operating hours.

I think a consumer, in purchasing certain appliances, should know that the appliance should be able to last a certain length of time.

Hon. Mr. Rowntree: Do you not mean a guarantee?

Mr. B. Newman: The guarantee does not necessarily cover this, Mr. Chairman.

Hon. Mr. Rowntree: Or a warranty?

Mr. B. Newman: There is a lot of difference between a guarantee and a warranty. But an individual purchasing an article like this should know that they are going to get x number of years service out of it under normal use. I think this is a place—

Hon. Mr. Rowntree: How would you ever enforce that kind of a covenant?

Mr. B. Newman: I do not know, Mr. Chairman. That is not my responsibility, that is your responsibility.

Hon. Mr. Rowntree: No. How do you guarantee the number of hours an electric light bulb will give, for example?

Mr. B. Newman: I am not talking about electric light bulbs.

Hon. Mr. Rowntree: I am trying to point out to you the never-never land that we are into. It is a very difficult situation trying to establish these proper businesses and the kind of relationships that should exist.

I am sure that everyone in this House will have a different standard of what they think should exist. We are willing and we are committed and dedicated to try to find these answers. But, quite frankly, I think you are getting—and I say it in a friendly way—I think you are getting into an area about the hours of use that—I gather the hon. member did not want to use the word guarantee or warranty—the equivalent, which is worse—the equivalent of a guarantee or warranty for so many hours of use. I do not know how you would ever enforce it. I have no idea myself.

Mr. B. Newman: Well, Mr. Chairman, this is being given consideration in the United States and I would say, through you, Mr. Chairman, you will give it consideration too.

Hon. Mr. Rowntree: But without any results.

Mr. Chairman: The member for Humber.

Mr. Ben: Mr. Chairman, I want to get back to the books. There are two things I want to deal with in reference to this particular item.

Hon. Mr. Rowntree: There is no finality on that matter. It is still in the testing stage and has been for some time.

Mr. Chairman: We were dealing with the director of consumer protection and the consumer protection bureau.

Mr. Ben: We are still under—

Mr. Chairman: We have not passed these two things in the vote.

Mr. Ben: Mr. Chairman, there are two aspects I wish to discuss pertaining to real estate and business brokers.

One of them is the fact that they have a real clique running in the metropolitan area.

Mr. Chairman: This does not come under the—

Mr. Ben: Registration and examination—

Mr. Chairman: This does not come under the consumer protection bureau, and we have not reached registration and examination yet.

Mr. Ben: With all due respect to you, Mr. Chairman, we are dealing with vote 704.

Mr. Chairman: With all due respect to the member it was agreed by the committee that we would deal with the first two sections and the last two separately when the committee sat this evening.

Mr. MacDonald: When you were away.

Mr. Chairman: We will come to registration and examination as soon as we finish with the consumer protection bureau.

Mr. Ben: Fine. Now one consumer we have neglected to protect is the one that consumes real property, houses. He is the one we have really failed on the job.

I, too, am going to express the nub of it, like the hon. member for Riverdale, who you let go on for a considerable length of time.

Hon. Mr. Rowntree: Could we get to the vote?

Mr. Ben: Now, just a second. You permitted the member for Riverdale to stretch a point saying, "Why is this not covered under consumers' protection?"—

Mr. J. Renwick: I did not say "why."

Mr. Ben: —and it should be. I am saying that the purchaser of real property should also be covered under consumers' protection.

Hon. Mr. Rowntree: No. It is a good thing we did not live a couple of hundred years ago, the hon. member here would probably be chastizing the hon. member for Riverdale with a whip and lash.

Let us get down to the real meat of these estimates and—

Mr. Ben: I asked the hon. Chairman—I pointed out that it was out of order. He said, "No"; so on the basis of his ruling, I am proceeding.

Mr. Chairman: Order, please!

The member for Riverdale did rise and he pointed out, in the Chairman's recollection, several items that he thought should come under the consumer protection bureau. He

mentioned, in his remarks, the matter of protecting tenants in rentals and, in the general area of his remarks, I thought that they were in order. But for the member for Humber now to start to dwell on real estate, I think is out of order.

Mr. Ben: I think the person who buys real estate ought to be protected by the consumer protection bureau. That is my contention.

Now, Mr. Chairman, if you want to raise an issue I am prepared to raise it.

Mr. Chairman: Well, may I say to the—

Mr. Ben: It is my submission that people who buy real estate ought to be protected by the consumer protection bureau. I wish to—

Mr. Chairman: May I point out to the member—order, please! The Chairman has made no rulings; there was no point of order raised.

Order, please! The Chairman made no ruling. He permitted the member for Riverdale to pursue his remarks. The member did not rise on a point of order. He spoke to me by way of an interjection. I replied to him by way of an interjection while the member was still in possession of the floor.

Mr. Ben: Do you want to listen to the tape again?

Mr. MacDonald: Mr. Chairman, I can get you off the hook.

Security deposits are now under the consumer protection bureau. They have been looking into them. It is not a question of whether they are, or not—they are now.

Mr. Chairman: The Chairman has not made any rulings on any matter raised so far by the member for Humber. The Chairman has no desire to engage in any controversy with the member.

If the member wants to try to make a point that he thinks should come under this branch it is perfectly all right. I have tried to be as consistent as possible under the circumstances.

Mr. Ben: I am pointing out to the hon. Chairman that he has recognized members of the Tory benches who did not even rise. One sent him a note, which is a disgraceful situation.

An hon. member: What?

Mr. Ben: Yes, that is right. An hon. member for the Conservative Party, the hon. member for Kingston and the Islands (Mr. Apps), sent him a note saying he wanted to speak. He did not even catch the Speaker's eye. The Chairman recognized him when everybody on this side had risen. This is the way it is run here.

Hon. Mr. Rowntree: How did he address the Chairman?

Mr. Ben: He sent him a note saying he wanted to speak, now will the Chairman deny that?

Interjections by hon. members.

Mr. Ben: Then he tells us we have to catch his eye and those people over there cannot catch his eye.

Mr. Chairman: May I say to the member for Humber—

Mr. L. M. Reilly (Eglinton): The hon. Chairman has been very fair to all members of this House.

Mr. Chairman: May I say to the member for Humber, I have not tried to restrict the member from entering any debate.

If he will recall earlier in the session there was a difficulty the Chairman encountered by not properly recognizing the members at this end of the House. I have been adopting the practice of turning my back, more or less, on the government side of the House in order that I recognize these members in proper turn.

I did receive a note and I remember the incident about which the member for Humber speaks. The Liberal members and two or three of the NDP members had been monopolizing the floor all evening. One Conservative member sent me a note and said, "Will you please look over this way?" I looked over that way and I recognized the one little Conservative member for the whole evening.

If the member for Humber wants to suggest to the Chairman that this is not playing cricket—as he put it in a note he sent to me—I say it is pretty small potatoes.

The member for High Park.

Mr. Shulman: Mr. Chairman, under this vote, I would like to ask the Minister about beavers.

In the *Wall Street Journal*, I believe it was June 10 or 11—I am referring to the last speaker's point about chinchillas—they find that the chinchilla swindle is now *passé* and

the latest swindle is the beaver swindle. Apparently it is becoming a very big business in the United States to persuade people that anyone can raise beavers in their bathtub. I wanted to ask the Minister if this particular problem has now arisen in this province? If so, what is he doing about beaver problems?

Interjections by hon. members.

Hon. Mr. Rowntree: It has been indicated that the reason for no enquiries about beavers is that the current standard of bathtub in this area is too small!

Mr. Chairman: Is there anything further under the consumer protection bureau?

Hon. Mr. Rowntree: As a matter of fact, that whole question of a pair of animals to breed goes back to—I remember when I was 13 or 14 years of age—the mid 20's and how my father and mother were encouraged to invest in that type of thing.

Mr. Singer: Did they have bigger bathtubs then?

An hon. member: Somebody gave them the pill!

Mr. C. G. Pilkey (Oshawa): You are not that old.

Mr. Chairman: Is there anything further under director of consumer protection, or the consumer protection bureau? Those items will carry. We will now pass to the registration and examination branch.

The member for Humber.

Mr. Ben: Thank you very much, Mr. Chairman. I want to get down to the situation in the municipality of Metropolitan Toronto. In the municipality of Metropolitan Toronto they have a real clique running here, a monopoly or cartel, which is called the Toronto real estate board. And you could be a real estate broker; you can qualify as such under every criterion set forth by the statutes of this province and regulations thereunder. Still you may be barred from being a member of the Toronto real estate board if somebody does not like the way you part your hair, or the accent with which you speak.

Now you may suggest that it is an organization and the organization is free to accept who it chooses, and if it wishes to blackball somebody that is his business, but that is not quite the situation. Because the Toronto real estate board in this city has the monopoly on the service called multiple listing service which is a system whereby a photograph is taken of the property which is offered for sale, and any prospective purchasers can be shown the photograph.

I repeat, the Toronto real estate board has the exclusive rights to use this service. Therefore, anyone who does not belong to the Toronto real estate board cannot use that service, and the essence is a second class citizen among the real estate business brokers.

I think this is an iniquity and something should be done about it. If the Toronto real estate board wants to run a little social club, that is their affair, but the rights to have exclusive jurisdiction over multiple listings ought to be taken away from them, and any real estate broker who passes the qualifications set forth by the department of the Minister through The Real Estate and Business Brokers Act ought to have a right to the multiple listing service.

That is my one point. There are a number of real estate brokers who are just about starving to death because they cannot break in to this clique.

The second item I want to speak about is the way that this clique has been able to raise the fees charged—

Hon. Mr. Rowntree: Mr. Chairman, I think we should deal with this as we progress. It is my understanding there is the Toronto real estate board and there is the Ontario board and so on. Now the real estate boards are an association of people in a particular area or district. They control the entry into their own organization.

I think I should say this to the hon. member that it is not a requirement that you belong to the real estate board to be a broker or registered with the department. There are about 20 per cent of the brokers in Ontario who are not members of a real estate board.

Mr. Ben: Mr. Chairman, I am quite aware of that. I think I pointed that out to the Minister. What I was also pointing out was that the Toronto real estate board has the exclusive right to use the multiple listing service, a scheme of selling real estate through means of advertising the property by means of a photograph, and what I said is—

Hon. Mr. Rowntree: I thought you did not understand that there are 20 per cent who do not belong who could also set up their own listing services if they so wanted.

Mr. Ben: The multiple listing service is a patented scheme.

An hon. member: They can set up their own in opposition.

Mr. Ben: They have the exclusive right to that multiple listing service.

Mr. Shulman: It is their own private scheme.

Mr. Ben: It is their scheme. Nobody else can use it.

Mr. Shulman: But someone else can set up a similar scheme.

Mr. Ben: He cannot set up a similar scheme because the scheme is patented.

Mr. Shulman: Oh no!

Mr. Ben: It is copyrighted.

Interjections by hon. members.

Mr. Ben: Oh, no! Why does nobody else use it then? Why do they not let the other real estate brokers use it? If they try to use it they find themselves subject to prosecution?

Another point I wish to make, is the way this clique has been able to manipulate the fees charged for dealing in real estate.

I point out to you that they are able to manipulate the fee, although there are some private brokers who are still charging less than the members of the Toronto real estate board. They have to because they do not have the multiple listing service.

Real estate has just about doubled in value in the last 10 or 15 years. Notwithstanding the fact that since the fees charged are based on a percentage of the sale price, and that, therefore, the fees have doubled, the real estate and business broker, still raise their rates. For instance, originally on an exclusive listing it was 4 per cent, and now, in what was called a photo-co-op, and is now called a multiple listing, it was 5 per cent. They increased the tariff being charged to 5 per cent for an exclusive and 6 per cent for a multiple listing.

This I point out to you is why real estate rates have been rising. In other words there is a double charge on the buyer of homes, because, as I say, the cost of real estate has doubled in the last ten years, therefore, the amount that the salesmen are receiving on the sale of homes doubled, plus another 20 per cent added on top.

I say that this ought not to continue, that this organization should be able to have the buyers of real estate in this city—the people who are buying homes—by the throat. It is no good for the Minister to get up and say, "Well, let them start their own multiple listing service." I say to you, they cannot. They cannot use that form. It is copyrighted. There is an exclusive on it.

Mr. Chairman: The registration and examination branch.

The member for Kitchener is on his feet; if he wants to yield the floor to the member for Downsview.

Mr. Breithaupt: Mr. Chairman, I had several questions to ask of the hon. Minister.

Hon. Mr. Rowntree: I think in view of the hour I will move the committee rise and report.

Interjections by hon. members.

Hon. Mr. Rowntree: No, I have got all next week.

Hon. Mr. Rowntree moves that the committee of supply rise and report it has come to a certain resolution and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that it has come to a certain resolution, and asks for leave to sit again.

Report agreed to.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, I am not certain that it will be convenient for me to continue tomorrow with these estimates. If I am not able to make the necessary arrangements, we would like to proceed with The Department of Public Works tomorrow.

Hon. Mr. Rowntree moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11 o'clock, p.m.

No. 146

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Friday, July 12, 1968

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, JULY 12, 1968

The House met at 9:30 o'clock, a.m.

Prayers.

Mr. Speaker: Petitions.

Presenting reports.

Motions.

Introduction of bills.

Mr. R. F. Ruston (Essex-Kent): Mr. Speaker, I have a question for the Minister of Lands and Forests.

Due to the continued spread of the cottony maple scale disease in Essex county, and especially in the township of Colchester South, will the hon. Minister consider the request of the Essex county council to take steps to assist in controlling this disease?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, in reply to the hon. member for Essex-Kent: May I take this question as notice; I hope to have a full reply for him later this morning, and if not on Monday.

Mr. W. Hodgson (York North): I have a question for the hon. Minister of Municipal Affairs.

Is the Minister in a position to affirm or deny the report that appeared in the Toronto *Daily Star* of Thursday, July 11, that Metro Toronto will be expanded by the addition of the townships of Vaughan, Markham and Pickering?

Hon. W. D. McKeough (Minister of Municipal Affairs): Mr. Speaker, I am really not in a position to confirm or deny the report.

Of course I cannot speak for what studies the Metropolitan corporation may have been making, but insofar as studies we are making are concerned there is no direct, particular study of this situation.

I would point out to the House, as the member is aware we have had two or three meetings with the council of the county of York, and have met with the other six municipalities of York; and as a government we are very much aware of the problem of Pickering. I think I would have to say that any suggestion we might have or any particular studies which we might undertake will have to wait until such time as a specific goals plan is determined, arising out of the Metropolitan Toronto and region transportation study. When there is a decision by the government as to which goals plan or variation thereof is most appropriate, then I think we would be in a position to take a look at the situation which is described in the press reports of yesterday.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, yesterday when I was not in the House I was asked two questions.

One was from the leader of the New Democratic Party, the member for York South (Mr. MacDonald):

"Has the government reached any conclusion on the request of the Ottawa city council for the power to establish a rental review board?" This matter is still under consideration.

The second question was from the hon. member for Grey-Bruce (Mr. Sargent). I will not read it because it is very long. I would simply say that on August 18, 1966, the government appointed Mr. Justice Rand as the Royal commissioner to deal with certain—

Mr. G. Ben (Humber): Mr. Chairman, on a point of order—

Mr. Speaker: The member has a point of order?

Mr. Ben: I do not believe the hon. member for Grey-Bruce put the question, because in the absence of the Prime Minister he was not permitted by you to put the question. So I can hardly understand the hon. Prime Minister rising to answer a question and saying he is not going to read the question because it is too long. In essence, he is answering a question which was not asked and which we do not know about and saying it is too long.

Hon. Mr. Robarts: I quite understand that the hon. members on the other side really do not know what questions the member for Grey-Bruce asks. I am well aware of that.

However, I will hold my answer until the member for Grey-Bruce returns to the House. He may then put his question and I will answer it.

Mr. Speaker: I think that is a satisfactory solution on all sides of the House.

Mr. D. C. MacDonald (York South): Mr. Speaker, on a point of order, I just want to clarify a point that came under some discussion yesterday during the Prime Minister's absence.

Was the motion that was introduced containing the words "—from Monday to Friday inclusive" with regard to hours, designed to alter the hours on Friday, in particular to extend them beyond 2:00 o'clock?

Hon. Mr. Robarts: Yes, it made Friday similar to any other day.

Mr. MacDonald: But only on the commencement hours?

Hon. Mr. Robarts: We will sit, a week from today, at 10:00 o'clock in the morning and continue until 12:30, then from 2:00 until 6:00 and will resume at 8:00.

Mr. MacDonald: It is just as I anticipated yesterday and that is why I sought clarification of it, because my understanding, when we had the meeting of the leaders, was we were not going to change Friday's hours.

Mr. J. H. White (London South): Well, if you cannot take the heat, get out of the kitchen.

Mr. MacDonald: Oh, we can take it; the member was not here to take it yesterday, he has come back rested up.

Hon. Mr. Robarts: I think there is probably some desire on the part of all members of the House to wind up this session of the Legislature, and I am prepared to make the necessary hours available to accomplish that end.

Mr. MacDonald: Mr. Speaker, on a point of order.

I rise to protest because we have had discussions among the leaders and we had fixed Wednesday, two weeks this past Wednesday, as the target date. As I suspected yesterday—and my capacity for suspicion is sometimes suspected on that side, but now it has been justified—the slick little motion of yesterday was to open the door to something on which there had been no agreement.

An hon. member: It was not too slick.

Mr. MacDonald: My recollection was that there had been agreement that the Friday period would remain the same. Now the door has been opened for what I described yesterday as a "marathon session throughout the weekend." I indicated our opposition to it yesterday—if this is what is intended I repeat it now. We were in effect deceived by the introduction of the motion yesterday.

Hon. Mr. McKeough: Oh, nonsense!

Hon. Mr. Robarts: There is no desire on my part to deceive anyone. I might say, if we are going to get into this kind of a wrangle, which I do not particularly enjoy, if you recall I could get no acceptance from anyone on any target date. So I am simply making the hours available to conduct the business of the House.

There was no agreement, Mr. Speaker, because—

Mr. MacDonald: I am sorry, Mr. Speaker, there was an agreement that we would aim at two weeks Wednesday, and specific in it was no agreement at all to alter our hours on Friday, at least as far as I am concerned. The proposition of starting at 10:00 in the morning and then entertaining the idea of marathon sessions throughout the weekend is just sheer lunacy in the conduct of the public business of the province.

Mr. V. M. Singer (Downsview): Mr. Speaker, I had occasion to discuss the possibility of this matter arising this morning with the hon. leader of the Opposition (Mr. Nixon), and he suggested that if the point arose I could say on his behalf, which I now do, that we are prepared to accept whatever hours are necessary to finish the business of the House.

Interjections by hon. members.

Hon. A. Grossman (Minister of Correctional Services): The NDP was outflanked again.

Mr. MacDonald: We have not been outflanked, we have been deceived.

Mr. Speaker: Order!

May I have the attention of the member for York South? Before the member for York South came in the Prime Minister gave a reply to a question, which unfortunately had not yet been placed. Is the hon. member seised of the reply?

Mr. MacDonald: I am not seised of it as yet but I expect I shall get the information in due course.

Hon. Mr. Robarts: Mr. Speaker, I do not really want to allow this point to go by on this note.

I do not think in the conduct of this House and its affairs we will ever be unreasonable, but neither do I think that we can make any agreements, because frankly from the government side of the House we simply do not control the amount of speaking that will be done by the Opposition. Therefore, we must have some flexibility in discharging our duties in operating the House.

We have made agreements and had discussions, and I would hope we would be able to continue to do this. I would not want to leave this discussion with the hon. leader of the New Democratic Party feeling that he had been deceived. I do not feel that this was the case. Before we make any decision as to sitting on the weekend I will, of course consult him, I can assure him of that.

Mr. Speaker: Orders of the day?

Clerk of the House: The 15th order, the House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF PUBLIC WORKS

Hon. T. R. Connell (Minister of Public Works): Mr. Chairman, I would like in this, one of the few times in the session that I am on my feet, to compliment you on your handling of your duties in this session. You have shown great patience as far as I can determine.

I would like to compliment my staff too, before I give my few remarks. They are a very dedicated group, and under reorganization have adapted very well to their job, as is expected.

I would also like to compliment the civil service as a whole. We have a lot to do with other civil servants in other departments. In this past 17 years I have come to recognize the dedication and work that they contribute to government.

I usually speak off the cuff in my opening remarks in the estimates, and I am sorry to inflict on the House a little longer speech this year due to the fact that we have had so many changes. I will be about 15 or 16 minutes this year, so rest assured that it is not going to be too long but I am going to stick rather closely to my notes.

I am pleased once again to present the estimates of The Department of Public Works to this House. This is the 10th consecutive year in which I have had this privilege. As I look back over those years I find some satisfaction, as Minister of this department, in having participated in the tremendous growth of the province and, I hope, contributing something to its development.

Most members are familiar with the purpose and role of my department. It is essentially a service department, providing accommodation and other necessary facilities for the government and for the other departments. This means that my department must, of necessity, work very closely with those it serves. We try to do this by becoming acquainted with their programmes and needs. This information then becomes the basis for the construction, accommodation and maintenance programmes of my department.

To cope with these many and varied tasks more effectively, I informed the House last year that we were reorganizing the department. During the past year this has advanced very well. I will not at this time review in depth the many important changes that have been made. But it is of interest to record some of our achievements.

The creation of the buildings management branch will be of interest to all members, I am sure. This is the branch responsible for the maintenance, repair, operation and management of our many properties right across the province. This is a big task and to accomplish it we have divided the province into five regions, with a further subdivision into 17 district offices. The regional managers have been appointed recently and have commenced their new duties. We are now proceeding with appointments at the district level. We hope that the creation of this branch will improve our programme of planned maintenance and provide our field representatives with the necessary authority to deal with local problems and requirements.

We have also made changes that will affect our capital construction programme. Primarily, this will be accomplished through the newly created design and construction branch. This branch is responsible for carrying out the architectural and engineering design as well as the construction of our major capital building projects.

Alongside construction we think of safety: safety in our major capital projects and safety also in our routine maintenance work. To achieve this we have created a safety branch to promote safety on our construction projects and in our many buildings.

In addition, seeking to strengthen management in the department, we have created a management systems branch and an internal audit branch. The former will satisfy management's needs for designing and developing systems and procedures and be responsible for data processing in the department. The internal audit branch will supply management with a skilled and impartial appraisal of its operations.

Another matter of interest is the creation of the common services branch in the department. I believe that all of you are familiar with the statement made by the Provincial Treasurer (Mr. MacNaughton) last November, regarding common services. The intent is to concentrate in one area a number of government services now being carried out at various locations in Toronto. We hope, in this way, to achieve greater efficiency and eliminate duplication of some of the services that occurred in past years. The common services branch, then, will be responsible for mail and messenger services, mass mailing, stationery and office supplies and offset printing and duplicating services, for various departments located in and around Queen's Park. The branch will be fully operational on completion of the new facilities now under construction immediately south of the Whitney block.

Administration of justice: A special projects task force associated with the takeover of the administration of justice programme, has been working in our department since January 15, 1968. A preliminary survey and valuation of the premises involved is just being completed and the task force is currently preparing to get down to the specifics of each building and commence negotiations with the municipality or county concerned. This will involve the department in acquiring title and negotiating rental agreements with respect to numerous county jails and court houses, registry offices and various municipally-owned buildings.

Originally, it was felt that this programme could be completed within two years, but it is now considered that the size and complexity of the operation will necessitate a longer completion period. The problems encountered are varied and complex. There appear to be very few parallel situations existing between municipalities; however, after a good deal of consideration, a clear set of formulae and procedures have been adopted and we are striving to make the programme as equitable as possible, right across the province.

Central supply division: I believe that one of the most important developments in my department over the past year, has been the creation of a completely new division: the supply division. It is charged with carrying out the government's centralized purchasing and supply policy, as it was announced by the Provincial Treasurer of Ontario, September 1, 1967.

Our concept incorporates the establishment of a central purchasing authority to co-ordinate the operations of a partially decentralized purchasing organization. Thus, rather than undertake the entire purchasing requirements of the government, the central authority will provide functional guidance to each department, and will advise on such matters as the development of purchasing specialists, specification writing, market studies, supplier evaluation, value analysis, and stores management.

It will also supervise adherence to the government's overall purchasing policy. Initially, the central authority will purchase selected items for multi-departmental use, wherever significant mass purchasing economies can be realized.

Now, something that I know is of great interest to many of the hon. members, Queen's Park office developments: For the past few years, many of you, I hope, have noticed that my department has been steadily increasing the standards of accommodation in the legislative building.

It has been my hope and goal for many years to see, someday, that the usage of this building be dedicated solely to the legislative function. To this end, I am pleased to advise this House that the master plan for this goal is under final study and review.

Briefly, this plan envisages that the whole of the north wing, with the exception, of course, of the legislative library, be converted to suitable office accommodation for the members of the House. Elsewhere, adequate and improved facilities for the government offices and other party leaders and staff are planned. Our present facilities for *Hansard* and the page boys, will also be improved.

The members' dining room will be relocated and brought up to an acceptable standard. Committee rooms, lounge areas, and all services and facilities relative to the legislative function will receive the fullest consideration.

I am sure that you all will agree that such a programme is desirable and necessary and I say that our plan will be implemented as quickly as the re-allocation of space can be

made and the necessary funds provided for this plan.

I would add that for some time I have been aware of the congestion of automobiles and the traffic hazards in front of this building, and we are already making certain changes to the parking facilities and traffic patterns there.

Basically, traffic flow in front of the building has become one way; that is, from east to west. Parking in front has been re-arranged and is angular on the south side of the drive to coincide with the one-way flow of traffic.

Our long range plan is that no parking will be permitted in front of the building and the present parking facilities on the north side of the building will be restricted to members of the Legislature only. These proposals are, of course, being made with the complete agreement of those city officials concerned with traffic in this area.

The Whitney block has, for quite a number of years, housed the main administrative offices of The Departments of Mines, Social and Family Services, Health, Lands and Forests, Agriculture and Food, Public Works and Transport.

The Departments of Health, and Social and Family Services have been moved to the Hepburn block, and it is planned that The Department of Agriculture and Food will be moved to leased accommodation at 1200 Bay Street later this fall.

The Department of Transport and Public Works will be moving to the Ferguson block later on this summer, which will allow The Departments of Lands and Forests and Mines to expand and consolidate in the Whitney block.

Because the Whitney block is over 40 years old and is out of date by today's standards, we had hoped to modernize all six floors this year.

Extensive refurbishing to the third and fifth floors and part of the fourth is presently underway. Again, it is a budget matter that does not permit us to implement our total plans for the Whitney block this fiscal year.

Phase 1 of the Queen's Park office extension is virtually completed. The Department of Health has moved into about 66,000 sq. ft. of space in the Hepburn block and the Department of Social and Family Services has been allocated about 80,000 sq. ft. The Ferguson block is to be occupied at the end of the summer by my own department —84,000 sq. ft.—and The Department of Transport—88,000 sq. ft. At the same time, the Macdonald block will house the office of the Registrar General, a Queen's printer outlet, and certain offices of The Departments of Transport, Social and Family Services, and Tourism and Information. The block will also contain a number of common committee rooms, a cafeteria, an Ontario savings bank, and a health centre.

Phase 1A of the office extension is under construction at the northeast corner of Grosvenor Street and Queen's Park Crescent. It is basically an underground parking lot which will provide space for about 400 cars; however, it also contains a unique supermarket-type of stationery and office supplies depot. Employees from the government departments will be able to pick the stationery stores they want from shelves and wheel them through a checkpoint in carts.

The garage will be connected by an underground tunnel, with the Parliament buildings, Frost building, Queen's Park office extension, and the University subway line at College for "out-of-the-weather" pedestrian traffic. Grosvenor Street traffic is currently restricted in order to permit construction of the final portion of the connecting tunnel. The ground level above the structure will be pleasingly treated with walkways, grassed areas and shrubs, to tie in with a master landscaping plan being developed for the whole of the Queen's Park area. The whole parking garage area should be completed by the summer of next year.

As you are aware, on February 8, 1968, the Treasurer of Ontario announced that the government had postponed five major building projects, scheduled to start this year, to hold the line on capital construction investment. The Queen's Park office extension programme —phase 2, at an estimated cost of $24,000,000, was one of the projects postponed.

The future development of any capital city, along with the functioning of the public service, can be markedly improved by the application of orderly and intelligent criteria concerning the location of government agencies and their employees. These criteria must be broad enough to encompass not only the immediate future needs of the department concerned, but also the interest of the government as a whole, the city and surrounding regions, the general public, civil servants, the economy, other levels of government, and so on.

Accordingly, my department, after working closely with federal and municipal officials and consulting planning boards across the

continent, has recommended an overall locational pattern for the government's Toronto offices. Alternatives such as centralization, suburbanization, dispersal and consolidation were carefully assessed in the light of three basic criteria:

1. The accessibility requirements of each office.

2. Office space economics.

3. The indirect influences that our offices have upon the community and the region.

The government's head office space requirements were projected to 1980 and we have now developed a general accommodation plan for the Queen's Park area to that year.

In view of the shortage of capital funds, we have explored alternate methods of financing the construction of government premises and have concluded that, in certain circumstances, general-purpose buildings and smaller special-purpose buildings of acceptable quality can be provided on an economic basis through leasing and leaseback arrangements. Factors considered include cost of capital, construction cost, urgency of requirement, building quality, operating flexibility, and so on.

The department will continue to become more and more involved in governmental planning activities as its planning branch takes shape during the next year.

In our opinion, the Ontario government pavilion at Expo '67 was an outstanding tribute to the progressiveness and enthusiastic participation of the people of this province.

Its original architecture and contemporary exhibits attracted a grand total of 5.5 million visitors. As the Prime Minister (Mr. Robarts) announced earlier this year, our pavilion has been turned over to the city of Montreal and we have, of course, relinquished any responsibility for its maintenance and repair.

We recovered about $2 million worth of furniture, equipment and displays from the pavilion, most of which will be used within the government. The sculpture by Snow, "Walking Women", has been donated to the Ontario art gallery and is presently on display there. The kitchen equipment and dining room furniture has been installed at the Ontario government building at the CNE, for the permanent kitchen and dining room. Picnic tables and summer furniture were given to The Department of Health for use in various hospitals.

We are confident that the contribution of the province of Ontario to Expo '67 will only be exceeded by our participation in Expo '70 at Osaka, Japan. We have already been involved in the selection of the site for the 1970 pavilion and have completed negotiations with the Japanese firm which is to construct the building.

Quite a number of changes have been made in the 1967-68 estimates format in developing this year's estimates. Because of the reorganization of the department, five new votes have been added:

1805—water control branch; 1806—administration of justice; 1807—purchasing and supply division; 1811—water control branch; 1812—administration of justice. This is last year under capital expenditure, of course.

Also, the newly created internal audit branch has been added to vote 1801; the management systems branch to vote 1803; and the safety branch to vote 1804.

In order to make the estimates more descriptive, the common services branch in vote 1803 has been presented in five sections and the purchasing branch has been presented in two sections.

In order to make the vote structure more compatible with the department's programme and activity set-up, the 1968-69 capital and ordinary expenditure framework was redistributed somewhat, relative to the 1967-68 set-up.

The capital expenditure estimate rose from $52,053,000 to $55,077,000. The administration of justice programme accounts for $1,800,000 of this increase, and the construction of buildings accounts for $1,500,000.

Of the $11,156,000 increase, in the ordinary expenditure estimate, $5,660,000 is for "new programmes", most of which is for the administration of justice. Expansion and extension of existing programmes amounted to $5,036,300—two-thirds of which is for rental payments on leased premises.

This year's capital works programme is described in greater detail than it was last year, since we have included the "estimated project cost" and the "contract price" for all work under construction.

This blue book is actually made up about the end of February and we have since had some approvals from Treasury board which have been placed on your desks this morning, but I indicate to you very clearly that this is only for the preparation of sketch plans and cost estimates. It does not mean that the buildings are going to be built; Treasury board is, I might say, keeping a little closer tab on us, and for more accurate estimates this is the way we are doing it this year. So,

there are a number of projects that are there for preparation of sketch plans and cost estimates only.

This is a brief review of my department's operations for the year and I will be pleased to provide more detail on our various programmes, as the questions come up.

Mr. H. MacKenzie (Ottawa Centre): Mr. Chairman, as one who has worked as an engineer in the construction industry for many years, it was indeed a pleasure when the leader of our party suggested that I concern myself with The Department of Public Works; the department which provides buildings and office space for other departments, along with a bit of civil engineering work on dams, docks, water flow, and so on.

I listened carefully to the Minister's report to the House, and found it most interesting and would like to congratulate him for approaching it with the respect his department deserves.

The annual report this year by the department contains, like former reports, a good deal of very useful information and very quickly gives one an insight into the magnitude of the work handled by this department. And when I speak of the report, I think of the small report that comes out each year. The blue book outlining the capital works programme is, of course, a relatively new yearly report, only going back about seven years, also issued by the department, and one which sets forth in some detail all the projects in the different stages which the department is dealing with.

The blue book for this year goes a little further than past editions by showing, for the jobs under construction, the estimate of cost, the contract price, and the amount allowed for each in the 1968-1969 budget. Unfortunately, the one issued for 1966-1967 is much different than this edition, and quite different than the one for 1967-1968 in the content and format. Consequently, it is most difficult to follow the projects through the various stages and carefully assess them.

In general terms, it appears to me that the Minister is doing a relatively good job with his department, and particularly if the performance of the department is measured by what we see in and around the legislative building and by the quality of the buildings that are being erected under the guiding hand of the department. I have taken the trouble to look over, in some detail, the new buildings across the road. There is no doubt in my mind that they are quality buildings which reflect the broad knowledge of building materials and their application, and a thoroughly sensible approach to space requirements, and are as well, aesthetically pleasing. They are buildings which will last for many years to come.

But even though the buildings are superb and the operation of maintenance and caretaking is to a good standard, there are a few other points which should be given some consideration.

In reading through the debates of the past few years, and in discussions with members of our party, the favourite topic of immediate criticism always seems to be the facilities, or lack of them, for the members right here in this legislative building. In further talks with members of all parties who have been here for many years, I am informed we now have facilities suitable for a king, when compared to those of a few years ago. Thus, the question arises as to whether or not the members are justified in asking for, and expecting to get, better facilities.

A comparison of today and a few years back, with regard to the duties and business of the members of the legislative assembly, is quite helpful in making an assessment. Without going into a multitude of statistics, just two or three significant points give a pretty good insight.

The Minister himself mentioned several weeks ago that the first session of the Legislature he attended—which was in the early 1950s—was for a period of five weeks, and only a few years ago it was quite usual for the session to be over by Easter time. This year, it appears the House may be in session for something like seven months.

The other significant points, of course, are the complexity of government, with the extremely involved legislation and the magnitude of the Budget. Both of these items by their very nature, make heavier demands on the members. Further, the involvement of the people in this province with government is now greater than at any time in our history, and will continue to grow, due to advancing social legislation, welfare, licensing, permits, and so on. There is probably not a member here who is not continually confronted with a backlog of requests by constituents for a multitude of different things.

Mr. Chairman, I seriously question whether there is a member of this Legislature who does not feel that, due to the heavier demands occurring, and the requirements for higher efficiencies, that the facilities and amenities

for members should not be very substantially upgraded. I would even go further and suggest it will not be possible to maintain the quality of the members and the quality of service to constituents and the province if they are not upgraded, in the light of the very substantial increase in the length of sessions and the greater complexity and involvement of this legislation.

It is fundamental, Mr. Chairman, that the quality of the members of this Legislature must be maintained, since neither this government, nor any other democratic government, can possibly continue to bring in progressive and much-needed legislation without the constructive criticism and new ideas of a resourceful, capable Opposition.

The next point, Mr. Chairman, I would like to mention, is the extent of the information provided for members and the different formats in which it is provided.

The public accounts of the province is an excellent publication and gives a good deal of very exact information as to whom moneys were paid and, in many cases, for what. I think it would be possible, with the accounts and the other information available, to trace various projects and items through and arrive at a sensible evaluation. Unfortunately, the public accounts book presently available is dated March, 1967, and we are now dealing with estimates to March, 1969.

The annual report of The Department of Public Works gives a good insight into the various types of projects the department is handling and is surely an excellent book for quickly getting acquainted with the department. However, it is not possible—in any way I have yet found—to use the information in a comparative way in order to carefully assess the operation of the department.

The third publication available on the department is their blue book on capital works, which outlines in the 1967-1968 issue, the work completed, work under construction, work approved for construction, work approved for working drawings, and work approved for preliminary plans. The format and information in the 1967-1968 blue book is much better than in previous years, since the previous ones did not show anything more than the names of the projects and what departments they were for. This 1967-1968 one showed, not only the projects and the departments they were for, but also the cost if completed, or if not, the estimated amount which would be spent on it in the ensuing year.

The new 1968-1969 blue book on capital works is, in some respects, a further improvement over last year's, in that for projects under construction the report shows the estimated cost, in most cases the contract price, and also the amount included in this year's budget for each project. However, the section "approved for construction" has been eliminated, and the other two sections, "approved for working drawings" and "approved for preliminary plans" do not show much more than the names of the projects. I wonder, Mr. Chairman, if these changes mean that the government does not have a planned building programme—that they do not in fact know where they are going with the building programme?

In any case, so far as the blue book on capital works is a useful document, it could be of real value with a few improvements. The book would be far more useful if the estimated or actual costs, the gross number of square and cubic feet, the land cost, and the estimated or actual costs for services and work external to the building were all shown. With this information it would be possible, as the record continued to grow through the years, to have available a clear picture of building costs and data, all of which would be invaluable for projections of requirements, and for ensuring that the projects were in the realm of reasonableness.

The fourth and last source of information on the department is, of course, the estimates with which we are now dealing. As estimates they are useful and indicate what the Minister and his department believe the needs will be, for the ensuing year, to fulfill their responsibilities. I would believe they are based on an accurate and honest approach, from what I know of the Minister.

From these four sources of information—the public accounts, the report of the department, the blue book of the department, and the estimates—it is most difficult to get a good measure of the department. Exactly what the money is being spent for and what the people of Ontario are getting for it is very obscure. The result of this lack of co-ordinated information can only result in, either a lack of interest, or a multitude of unnecessary questions, and a lack of good constructive criticism which might be helpful to the Minister and his department.

At the rate that the expenditures of the department have been growing in the past few years, I should think, Mr. Chairman, that the Minister would do all he can to promote good, constructive criticism in the Legislature. With regard to the operation of the depart-

ment, Mr. Chairman, in talks with different members, and also reading past debates on the estimates of the department, I find that many people have different ideas on how the department should be run, and what it should be doing. Not too many seem to have an accurate and detailed knowledge of its operation, or the principles programmes are based on.

Some think that the government should be renting office space from the lowest bidder, while others think that the government should build all the space required, since space is usually rented, they say, from favourite sons, and at premium rates.

Still others favour a substantial provincial building in each municipality, housing all the various branches of the provincial government. A few others believe that it should not be firm, but that provincial buildings, office space, hospitals, reformatories, and so on, should be programmed for depressed areas, that is use building construction to control the economic level.

The last thought that I hear on this matter is that there should be less offices in Toronto and more in outlying municipalities.

After long and hard thought on these approaches, I am convinced that any one approach will not fit all needs, but that different ones are needed for different situations. I am also aware that the public works is looked upon as a service department for the other departments, and as such has little to say about phasing the building construction to alleviate economic depression.

The resulting social adversities if I may quote from the Minister's statement last year, and I quote from page 3197 of *Hansard* of May 9, 1967:

> Actually we do not set priorities from our own department. Each department brings forth their own priorities, what they consider their top priority in a building, and this in turn is assessed by The Provincial Treasurer's Department. So we, in no way set the priorities in the department, but only after it has been considered by the government as to which building should be gone ahead with.

There is no evidence to indicate any consideration is given by this government to phasing construction to assist the economic position of an area. Unquestionably the government has reasons for not phasing construction, to some extent, to the economic requirements, but surely it is a subject worthy of debate, since the federal Liberal government has for years been successfully using their Public Works Department to help maintain a suitable level of economic activity across Canada.

I might say that the value of the work is probably secondary, since by far the major benefit is the activity of the private sector of the economy, due to the profits generated by the planned government projects.

At the present time there is evidence of recession in the building industry. Unquestionably, the recession was, to some extent, quite necessary and planned to bring competition back into full play, and to upgrade efficiencies. However, as I say, there is real evidence of a recession occurring in the building industry. Already in many areas, percentage markups have fallen. Some contractors are taking jobs below their estimated cost in order to hold their organizations together.

With this situation occurring, I seriously wonder about the project that this government has shelved, and whether or not it has firm plans to phase them back in? Whether the phasing-in relates to their needs as the regulators of this province, or to the economic needs of the province and its people? Maybe, Mr. Chairman, we can pursue this matter a little further in the question period.

Just one further subject remains. On May 27, 1968, we heard the Minister of Municipal Affairs (Mr. McKeough) outline a proposal for bringing together a committee to study the national building code or a modified form of it, building materials and others, with a view to making the national building code, or a modified form of it, mandatory in all municipalities in Ontario.

This proposed study of building codes and materials has resulted, I believe, from the federally-sponsored programme of building equipment, accessories, and materials, better know in its abbreviated form as the BEAM programme, which has the prime objective of increasing production and efficiency in the building industry by five different approaches, which are as follows, in brief form:

Number one: By the establishment of a better system of distribution of literature and information. Presently in the building industry, the information on products and materials is provided in hundreds of different ways. But a suitable category system for the ready location of information on specific items is non-existent. All the designers and builders continually come face to face with the frustration and time-consuming process of locating precise information on products.

Number two: By the adoption of modular co-ordination in building materials. Never before has there been a concerted effort to get manufacturers to supply building materials with dimensions of the same multiple. Different brick manufacturers have standardized on different normal dimensions, and concrete block makers are on a different standard, and so it goes on, with window manufacturers, door and frame manufacturers, and partition manufacturers, and so on through the industry.

Commencing January or February of 1969, the federal Department of Public Works is going to insist that their buildings are fabricated from modular sized components, in the hope that this will give enough incentive to bring order to the chaotic conditions existing.

Number three: By encouraging greater industrialization of the building process, that is more mechanization, mass production, and more organization, and in general, more real speed up to the building process.

Number four: By encouraging improvement in manufacture and assembly of materials. As many in the Legislature are probably aware, Mr. Chairman, many building projects fall far short of desired qualities, and the manufacturing process of many approaches the custom method of fabrication and production as opposed to the automatic, or semi-automatic production line basis. A partial answer to this problem is the fabrication of systems.

Number five: Some approaches to try to get uniform codes and regulations adopted for building, safety, heating, plumbing, electrical processes. This federal programme, Mr. Chairman, on building equipment, accessories and materials, known as BEAM, while being promoted by the federal Department of Industry, is, in fact, fully endorsed, adopted, and being implemented by the federal Department of Public Works. They are the ones who have recognized a great necessity for increased efficiency in the building industry.

If we are to meet the challenge of our population growth over the next 25 years, they are the ones who are giving the building industry the incentive to move in a more efficient direction.

Mr. Chairman, when the Minister of Municipal Affairs announced on May 27, 1968, that he was going to appoint a committee to study building codes, regulations and building materials, I found it difficult to comprehend why a department that normally concerns itself with the regulation of municipalities and would undertake such a study when The Department of Public Works under this Minister has probably the most capable and closely knit group of professional specialists in the province on codes, regulations, and building materials. There is quite adequately demonstrated in the provincial buildings we see around this city, and this same group of professional specialists is daily dealing with the other top specialists in this province.

The BEAM programme is a worthy one, Mr. Chairman, and it is quite necessary that its objective be reached if building construction is to keep up with population growth and the Treasury is not to be overloaded in the process. The extra weight of the provincial Department of Public Works, spending this year, along about $50 million on building construction and services, could have a very substantial effect on the rate at which the objectives of the BEAM programme is reached.

With respect, Mr. Chairman, I recommend the BEAM programme to the Minister, and I hope as the days go by that he will get his department into it.

Mr. R. Gisborn (Hamilton East): Mr. Chairman, I want to congratulate the hon. member from Ottawa Centre for his remarks. He certainly has found more to say about this department than I think I can find myself at this particular time.

Before I continue, Mr. Chairman, I would like to pose two questions to the Minister, and I would like him to take note and give me an answer at the appropriate time later on in the estimates. I attended the annual warden's banquet, for Wentworth county last year, prior to the last election, and the hon. Minister was in attendance at the head table. He had the honour of introducing the guest speaker, who was the hon. Provincial Secretary (Mr. Welch). The hon. Minister made one remark—and I would like to know just what he meant by it. He informed the group that he wanted to dispel any idea that there would be a cut-back or an unusual delay in the construction of the Wentworth county detention centre. I would like him to explain the validity of the other statement he made when, introducing the hon. Provincial Secretary, he introduced him as the next Prime Minister of the province of Ontario. Those two questions I would like him to answer later on.

Now, Mr. Chairman in making my opening remarks regarding the estimate of The De-

partment of Public Works, I do not intend to be very long. There are two reasons. One is to co-operate in winding up this long drawn out session with reasonable dispatch, and secondly and in the main, because there seems to be very little area for direct criticism of the Minister of Public Works in his supervision of the carrying of the construction and maintenance of public provincial buildings. I adopt this attitude, Mr. Chairman, because of the replies from, and the position taken by, the Minister to the many questions and suggestions made by the Opposition during the passing of the estimates for The Department of Public Works for the previous sessions of 1966 and 1967. In the Minister's own admittance, he cannot establish priorities. He cannot deal with the social and economic significance of his department. One infers that we have to confine our questions only to how the work is done and not to the why and wherefore, and the ffect it has upon the province.

Prior to 1966, Mr. Chairman, the estimates of The Department of Public Works were passed through this House in short order, in contrast to most all other departments with questions mainly in the direction of the cost, and the timing and the political implications of projects and whereabouts they were going to be built and this sort of thing, rather than in general as well as specific consideration of the significance of the social and economic effects of the human resources of this province.

Now, Mr. Chairman, because of the apparent breezy and lethargic passing of the estimates in previous years, the then member for Woodbine, Ken Bryden, took upon himself during the estimates in April, 1966, to inform this House as to what we in the New Democratic Party would expect the function of The Department of Public Works to be. I suggest, Mr. Chairman that the almost 1.5 hours of criticism and suggestions at that time are just as valid today, and if members want to bring themselves up to date, I just refer them to *Hansard* No. 77 on page 2348, 1966.

The member for Woodbine at that time suggested that the hon. Minister of Public Works, as a Minister of the Crown, had a a responsibility to report to the House on government policy with respect to public works, decisions of the Cabinet and the Treasury on long-term planning, on priorities, on location, and so on, so that the direction of the expenditures could be made to effect our economy in the best possible way. All we seem to have in this regard is the announcement a few months ago from the Provincial Treasurer, of the postponement of five building projects with an estimated cost of $39 million, a cut-back in spending for the 1968-69 fiscal year of about $12 million, and a further deferment of 20 projects with a cost of about $4.5 million.

I will ask the Minister to elaborate somewhat on those other 20 projects. But in light of this we find in the estimates—in all these lengthy pages explaining the reasons for the cut-back—we find that we have increased the total by $14,180,000. The ordinary expenditure is up $11,156,000, and the capital up $3,024,000. While introducing his estimates for 1966-1967, the Minister stated his concern at the increased building costs being 20-30 per cent higher than they were in 1964, and that he expected a further increase of some 10 per cent in the coming year. At that time, in the Minister's words, we were experiencing unparalleled prosperity and full employment. The Minister stated that this was reflected in the number of bids placed on the projects saying that in previous years the department would receive from eight to 20 bids per project. But in 1964, on five tender calls they had no bids whatsoever. On 262 tender calls in the same year, on 40 per cent of them, there was only one bid. This seemed to bother the Minister because he said, "We are keeping a very close eye on the situation to see how it develops." I hope he will explain just exactly what he meant and what his concern was at that particular time.

Now if I remember correctly the Opposition, at that time, urged the government to cut back on these non-essential projects. This policy, in keeping with what the Minister said, would tend to take the pressure off the private sector in the area of cost, the availability of materials and construction labour. At the present time in Ontario we are experiencing higher unemployment rates than in many years, an increase from 3.4 per cent in February, to 3.8 per cent in March and the trend is continuing. In Hamilton about 30 per cent of the 6,000 organized construction tradesmen are without work—about 1,800.

A story in the *Globe and Mail* of March 26, 1968, says:

> CONSTRUCTION INDUSTRY FORESEES CUTBACK; ALLIED PROFESSIONS WILL WAIT ON PRIME MINISTER
>
> One of the first delegations Canada's new Prime Minister will find in his waiting room will be from the construction industry. The

leaders are worried about the danger of severe cut-backs and increased unemployment they see in about six to 12 months.

Now Mr. Chairman, I would like to quote from a statement by Mr. William A. Purdy, the president of the Canadian construction association, on behalf of the organization of architects and engineers. This was used by the Hamilton building trades council to express to myself and others their concern about the unemployment situation in the construction industry, and I quote:

An emergency situation is facing the construction industry. Architects are reporting layoffs of more than one-third of their salaried staffs while the engineering professions are similarly hit. The construction industry already working far below capacity will bear the brunt in about six months, with a direct effect on the construction labour force.

A lag factor is common in the construction industry because of the length of time required to design even the smallest of projects.

The situation is compounded for larger projects. The effect of halting the design and planning process will have a disastrous impact on the construction industry for some months hence.

Further Mr. Chairman, I obtained from The Department of Manpower and Immigration, the unemployment figures in the construction trade for 1967 and 1968, and the note was that these enclosed figures do not necessarily represent total unemployment figures in the construction industry. They were assembled as a means of applying them to the need for winter works programmes and the seasonal employment. But it shows some figures and it should draw our concern to the need for emphasis on construction in this province.

If we take September, 1967, the structural steel workers, their figures show 557 unemployed; and in April of this year, 624. In sheet metal and boiler making, 520 last year in September—that is the declining month—and they were 624 in April of this year, when it should be increasing. In the electrical trade, 1,231 in September last year; 1,986 in April of this year. Welders, last year, 2,346. There has been a slight improvement in that area, it was only 298 in April of this year. But, in the painters, there is an increase from 439 to 983 in April of this year. Plasterers are up over 200. Cement finishers—108 registered last September; 353 registered in April of this year. Equipment operators—587 registered in September, 1967 and there were 1,866 registered in April of this year.

Again, with carpenters—1,654 last September; 3,226 registered in April of this year. Masons, who are up 100 per cent—448 to 850. Plumbers and steamfitters—977 in September of 1967; 1,081 registered now. So it does show that there is room for concern.

Of importance also is what is happening in Ontario in regards to the provinces—to Canada as a whole in regards to the construction industry and its employment levels.

I have here the business trends article from the *Financial Times of Canada*, July 1, 1968. It shows on a chart the construction contract awards from January to June 1967 and in 1968. We see in residential there is an increase of 18.9 per cent. In business, an increase of 14.8 per cent. Institutional, an increase of 16.1 per cent. Industrial, a decrease of 11.3 per cent. In engineering, an increase of 4.4 per cent. For an average total increase of 10.7 per cent across Canada. But that only gives the total of construction investment of $2,586,200,000 in 1968 and it is only up slightly from 1967, very slightly, across Canada.

The important thing is that on a provincial, or area basis rather, the Atlantic provinces, increase is 57.9; Quebec, 22.3; prairie provinces, 6.4; British Columbia, 38.6.

This all sounds very good and it should make us feel good on a national basis. But the disturbing thing is that out of that total of $2,586.2 million of investment in construction contract awards, Ontario accounts for $1,113.6 million of that total. It shows that Ontario has decreased the contract awards up to June of this year by 3.1 per cent and it is worth considering by this government, in regards to their construction programmes in this province.

In face of these forecast warnings of unemployment for thousands of Ontario construction workers, the hon. Provincial Treasurer with the support of his colleague, the Minister of Public Works, has announced the postponement of five major building projects scheduled to start this year.

This is simply ridiculous, Mr. Chairman. Penny wise and pound foolish, to be sure. Cut-backs in such needed areas as the $7 million for Osgoode Hall in Toronto—and I understand this has been needed for many years—delay in the construction of the detention centres across the province, is unexplainable, in face of the need to replace the obsolete and unfit jails which still exist.

The $3.5 million second stage of the Ontario Hospital development at Penetanguishene—and I must say, Mr. Chairman, to stall the development of a badly-needed mental hospital facility in this province is nothing less than stupidity.

The hon. Provincial Treasurer expressed his pleasure that several municipalities had stabilized their capital expenditures programmes and it is a safe bet to say, Mr. Chairman, that it is not because they wanted to. It was because they could not find the money to carry out the very much needed programmes in their particular areas. I am sure, we all agree, we wish no decline in the private sector projects that will improve the productivity of our economy such as manufacturing plants, the transit and housing.

On the other hand, if we are concerned with so-called inflationary pressures, surely there must be some way to encourage the slowdown in the construction of luxury apartment buildings, office facilities and the sky-high bank buildings and—yes, again—in over-expanding industrial facilities. Many of the industrial plants have programmes going that are over-expansion, where others cannot get off the ground.

Mr. V. M. Singer (Downsview): How would you suggest that that be done?

Mr. Gisborn: I would think there should be a greater degree of co-operation between the government and the industry as to the needs. Persuasion—I think there can be a great deal of that.

Mr. Singer: Direction?

Mr. Gisborn: I think that if the time comes, direction should be given, certainly.

Mr. Singer: Is that party policy?

Mr. Gisborn: What is wrong with that? What is wrong with direction?

I think this, Mr. Chairman, is the wrong time to be constructing government buildings for office space. We have raised our opposition to this great complex going on—

Mr. D. C. MacDonald (York South): What about Trudeau? He is giving direction these days.

Mr. Gisborn: —great complex going on across road in the last couple of years.

The vacancy rate for office buildings in Toronto, in December of 1967, was 13 per cent. With funds for capital costs scarce, this work should have very low priority.

In the long run, one might have to agree it may be cheaper to build and own our own buildings, rather than rent all over the city. But the main point is, we must not, at this time, slowdown on the socio-economic project expenditures that contribute to increasing the productivity of our human resources. This is where we are making a sad mistake. We need many decent nursing homes across the province.

The Minister is well aware of the situation in Hamilton as I related it to this House early in the session. The health officials in Hamilton reported that the nursing homes were in intolerable shape and they needed renovations, new buildings, to take care of the old people in the way we wish them to be taken care of. We need facilities for the chronically ill, and the convalescent.

Surely these projects will take the burden off the high cost of active hospital beds and save a great deal of money for the government and the taxpayers. I do not think that can be denied. One only has to find the high cost of hospital care and the number of people that have to be confined in active beds to know that the sensible thing is to look at this very seriously and develop facilities to put these people into lower-cost, well-kept, and well-serviced facilities.

We need buildings to look after the mentally retarded and emotionally disturbed people. We need to provide facilities for education at all levels, and do away with the portable and make-shift classrooms that we have across the province. We need rehabilitation and training centres, so we can empty our prisons, particularly of younger persons. We need regional welfare rehabilitation centres for chronic welfare and disabled persons. This would be increasing the productivity of our human resources, and this certainly is no time to cut back.

We must continue to meet our ever-increasing need for hydro and nuclear development. I know we heard something about that during the other estimates, but it does not seem to be going ahead in a way that will keep us in tune with our industrial needs. We just have a slight power failure and are in a panic across the province.

We need to develop an integrated transportation system. Of course, to reiterate the whole need for making it feasible for industry to locate in areas other than the golden horseshoe, especially the need for more industries in the north and the eastern sections of the province, we have to develop

and integrate these problems to reduce the rail costs, and the ancillary costs of getting goods from one part of the country to the other.

It seems to me we are making a very grave mistake cutting back on capital expenditures, Mr. Chairman, those that were committed by the Provincial Treasurer.

Total construction investment for 1967, and this is from The Department of Trade and Industry in Canada, the total construction investment for 1967 was $3,160 million. Their projected outlook for 1968 is $3,389 million. This is not enough if we are going to find the needed jobs in this province.

The departments of the Ontario government and institutional services investment take about 30 per cent of that total, so I think that any reduction here, we would have to agree, would hurt the overall picture of declining construction investment of the previous years. Now is the time for the government to move in and take up the slack in regard to construction and building in this province so that we can provide for the many needed institutional facilities for the human betterment of the people of this province.

Now, Mr. Chairman, in conclusion, there is just one other item I would like to mention, and that is the miserable and despicable attention as far as salaries go that the cleaners in this building receive. Our members raised this in the last two years, and after strong opposition to the treatment they were getting, we find that in January, 1967, they were given an increase from $2,400 a year to $2,425 a year, at the rate of $1.69 per hour. At that time, based on that rate, they got an increase of 10 cents per shift.

Now, there are two things. The Minister at that time answered and said this really comes under the area of the civil service association because they do the negotiating on a cyclical basis and it would be up for revision as their turn came. I think the Minister has some responsibility in this regard.

He did say that we were in keeping with the average in the industry and we do not want to go higher than what is being paid for this particular kind of work. But $1.69 an hour! They only work five hours, I understand, in this building, the female clean-up at least, and that gives them $8.45 a shift.

Certainly it would be realistic to give them $2 an hour—give them a ten dollar bill for coming down here. They have to pay the same kind of transportation, they have the same costs as any one else going from home to their job and back, but to bring them down here for a miserable sum of $8.45 is just ridiculous.

Then how about our programme of equal treatment—how about the discriminatory part of this as far as male and female are concerned, both doing what I understand are relatively equal work, both use mops? I watched them, and their work is equal, but there is a difference of $2.06 an hour for male cleaners, and $1.69 for the female cleaners. What is the explanation? What is your attitude towards our approach to equal pay for equal work?

I ask the Minister to use his influence with the civil service negotiating team to take a more realistic look at this—particularly because of the fact they only work a half shift, as you might call it. Then even with the miserable size of the rate they are getting, I understand at this time of the year—we are now into July, the middle of the year—they have not received any increase for this year. I understand they are still in negotiations and it will be paid, I take it, back to January 1, 1968.

I am not sure whether this applies to them or not. With the approach of this government to their employees I doubt if they will get full retroactivity, but why do they have to wait a half a year to get negotiations cleared up for a group in the lowest wage brackets? I would ask the Minister to use his influence with the department and get that speeded up and try to get them a little more money.

Mr. Chairman: Does the Minister want to reply to any of the comments before we deal with the vote?

Hon. Mr. Connell: Yes, briefly. I would like to reply to the member for Ottawa Centre. It is rather interesting to hear an engineer's approach to The Department of Public Works estimates for a change. Certainly I do not have too much to reply to him at this time, but I mentioned in my own remarks that we are making rather extensive changes as far as the members' space is concerned. It is a whole new ballgame around these buildings this last two or three years, and decisions that were made seven or eight years ago, as far as the members' facilities are concerned, are now inadequate.

I am the first one to admit it. But with a large part of the Attorney General's branch moving out of here in the not too distant future, it will give us a little more flexibility.

He complains a bit about the annual report in the blue book and our estimates of this year and the very calendar itself. We just cannot do it any other way. You cannot close the books until a month or so after the end of the one year, and the blue book is as accurate as we can get it for the coming year. Actually we are three or four months into the new year already, so I do not know of any way that we can improve on that.

He also mentioned the BEAM programme that is being directed or getting encouragement from the federal government. We are quite interested in it ourselves. This has been very bothersome, as he mentioned. Different people have different standards for bricks and cement blocks. It makes it difficult in the planning of the building. Once you start off with certain measurements, you have to continue that through the building, you cannot change halfway through, and this four-inch module they are coming to will be good.

But it is like any other programme, you just cannot wave the magic wand and have it changed or you would put a great many of the manufacturers in difficulty. Even many of the carpenters and that type of person who are working as a one or two-man organization and would find it difficult to change if they had been dealing in certain measurements over the years.

So we are in complete agreement that there should be some changes here, but we also say that it should be done very gradually. We are designing one building—I am not sure which one it is on this four-inch module to get experience for our own staff on it and just to find out how it works out. I think it is good.

It was mentioned also about standardizing the building code and why it should be in The Department of Municipal Affairs. It is a combination of the two. I know we are very interested, but The Department of Municipal Affairs is dealing with 900-odd municipalities and are looking over the shoulders as far as their bylaws are concerned, and the building bylaws are all controlled.

This is part of the problem. Many of them have different applications of their local building bylaws. I hesitate to use a small community, but it is difficult to enforce a building bylaw that is standard in the city of Toronto. I will use the community where I live as an example. I would not want to have the same standard of building bylaw there as we have in the city of Toronto; it is just an impossible situation. But certainly it is an area where there could be a great deal of improvement.

Getting around to the member for Hamilton East, I did mention something about the detention centre at the wardens' banquet. I have not changed my opinion, that detention centre will be gone ahead with and we have purchased a site or taken over negotiations. Just when it will be done is not too definite at this point, but certainly it will be gone ahead with. I was a bit under the weather at the time some of these announcements were made on the cut-backs and maybe was not involved as much as I would like to have been at that time.

There was considerable mention about cut-back in construction projects and about the industry as a whole being slowed up a little. I think he is quite right in this; maybe not quite as extensive as he indicated, because he certainly covered the waterfront from the Atlantic provinces to British Columbia. Certainly I do not believe the construction industry itself expected to keep up the pace that was going on in 1965-1966 and 1967 with the centennial projects in practically every municipality in the province and the Dominion of Canada.

It is serious in some areas but certainly the government, as a whole, is keeping all these things in mind. The cut-backs that were made as far as certain of our projects will be kept in mind. But the very shortage of money has dictated that some of our projects should be slowed up; they have not been cut out, but they are on that shelf of public works that is always talked about. I might say that backlog or shelf of public works is in better shape today than it has been at any time since I have been Minister.

We have always discussed this backlog or shelf of public works and actually the cupboard was bare as far as I was concerned for many years, but we do have about $200 million worth of projects that either could be tendered at any time or any time within the next year if the times indicate that they should be gone ahead with.

I notice the member for Hamilton East is complaining about the cut-backs on one hand and yet, at the same time—with our Queen's Park extension—is indicating that we should not be going ahead with these large office projects at this time. So it is just a little hard to know where he stands on these matters.

Mr. Gisborn: The hon. Minister does not get the point of priorities we are talking about.

Hon. Mr. Connell: Well, it is now just about ten years ago since the planning started on the Queen's Park extension. I often think sitting here—and I think most people would agree, I do more listening than talking—if by chance at any time the other parties came into power, they would certainly have a Minister of hindsight in their government. Because this is their most important area; I find they have opinions on their hindsight.

The member was mentioning about salaries and certainly, as he mentioned, this comes under the civil service. Those negotiations are carried on at that level.

I do not know that I have anything else to add. The member for Hamilton East did cover many areas that are really not The Department of Public Works' responsibility, and I would like to indicate where they should go, but certainly many of his comments I do not believe should have been directed at myself particularly as Minister.

Mr. Gisborn: That is what I mean; we do not even need a Minister.

Hon. Mr. Connell: Well, I will not argue that point.

Mr. MacKenzie: Mr. Chairman, before we get to the vote, I would like through you to ask the Minister two or three things with regard to the new projects in particular and relate it to the blue book. There are two or three things I would like to ask him on this.

Mr. Chairman: I wonder if the member would mind keeping them until the capital votes for the new projects are listed in detail? Or is there some particular reason he would like to bring them up at this time?

Mr. MacKenzie: No, the only reason, Mr. Chairman, would be that it might be helpful to understand how to approach it when we do get to the capital works, but if you would sooner wait, all right.

Mr. Chairman: If the member just wants some clarification, perhaps he could direct a question, but it would be proper and appropriate to discuss any specific projects under the proper capital vote relative to it.

Mr. MacKenzie: Then I wanted to pursue a little bit further the BEAM programme with regard to this department and The Department of Municipal Affairs. Where would be the right point to—

Mr. Chairman: What programme was that?

Mr. MacKenzie: The BEAM programme as it relates to this department and The Department of Municipal Affairs. I wanted to discuss that as a point I brought up myself in my own—

Mr. Chairman: Perhaps the Minister would suggest where this programme should be discussed?

Hon. Mr. Connell: Now.

Mr. Chairman: The member can discuss the BEAM programme at the present time, under vote 1801.

Mr. MacKenzie: Mr. Chairman, I brought up the matter of the BEAM programme and talked about municipal affairs and the part it is playing in this business of building codes, standardized building codes, building materials and this sort of thing. The Minister did mention it, and I listened carefully I thought, but I still do not think I got an answer on it. I still do not understand why, when we start talking about building codes and building materials, a Minister who deals with the regulation of municipalities would take this under his wing when here we have a department and a Minister. There is no question about it, there just is not a more capable professional group in the province. There is no group in the province who knows more about building codes, building materials and that sort of thing, and yet we see that, sir, we have this big professional group drawing thousands and thousands of dollars in salaries, and dealing every day with the top professional men in the province on building materials and design and building codes. Why, when we have this type of department, does this go to municipal affairs? The Minister, who has no choice, has to go out and get somebody off the street to start such a department. Now, Mr. Chairman, I have listened to the Minister and I am not satisfied that he gave us an answer to this.

Hon. Mr. Connell: Yes, I would say there are two different sections, I mean as far as the BEAM section—as we determined this four-inch module. Certainly we are taking the lead there but, as I mentioned earlier, we are not going to bring this in and say it has to be effective the first of September of 1968. This is not just the practical thing to do, and I think you as an engineer would understand that maybe as well as anyone. As far as the building codes are concerned, the Department of Municipal Affairs is more or less the father of all the municipalities and approve or disapprove of local bylaws. We are assist-

ing—they did not have to go out on the street to look up a few people to help them out—and giving them all the assistance we can as far as assistance on the building code is concerned. But it needs someone to direct it and the Minister of Municipal Affairs is much better acquainted with all the local municipalities than our department.

Mr. MacKenzie: I understand, then, Mr. Chairman, the the Minister of Municipal Affairs is more or less guiding this national building code and these sort of things, and also building materials. But do I understand also that it is actually The Department of Public Works personnel who are involved in the assessment of this and who are basically the group? I would like to think that is the case; I would like to think that the Prime Minister did not tell a Minister who knows nothing about building and building codes, to do this.

Hon. Mr. Connell: We have professional help and we are giving that as needed, as I understand it. I can tell you no more than that.

Mr. MacKenzie: Just one more thing, Mr. Chairman, with regard to the capital works project which was further approved for sketch plans and estimates that were on our desks this morning. This listing—I would assume, Mr. Chairman, that those should fall into the last section of the blue book approved for preliminary plans.

Hon. Mr. Connell: As I mentioned, this book was produced—well not on February 28, but we have to have a date to work from. And these projects have since been—the Treasury board has given us the privilege of going ahead, as I emphasize again, with the preparation of sketch plans and estimates, so it is not necessarily saying these buildings will be gone ahead with, but it helps; it is a little better system that we think we have going, and it keeps Treasury board better informed in establishing our priorities.

Mr. MacKenzie: Well, then, Mr. Chairman, if I understand the Minister correctly, what he is saying is that this list we got this morning should go into the back part of the blue book. He says that in the beginning here, that they are undertaking the preparation of sketch plans and cost estimates. I understand from this then, that cost estimates must occur in this phase. Then, of course, I would ask why, in the next section following where we approve our working drawings in our blue book, do we not have the estimated cost of the projects listed in the blue book. Now I do not want to pursue this, Mr. Chairman, if you think it should come under capital works, but because the list was put on our desks this morning, it might be a good place.

Hon. Mr. Connell: I am not sure that I follow the hon. member on his last statement but, as I say again—and I have learned this lesson rather bitterly over the years, of announcing a project and what it is going to cost; at least someone puts a cost figure on it over the years and we usually get stuck with it. I think you are all very familiar with this, that somebody sticks a figure on it and we seem to get stuck with it. And this is one of the areas that we are trying not only to improve for ourselves but for Treasury board and the government as a whole, and we are trying to come up with more accurate estimates rather than having someone in some other department tell us what a building is going to cost just because someone has thought about the building.

Mr. MacKenzie: I appreciate what the Minister is saying, Mr. Chairman, but the point I really make is this—we will approach it in another way, and maybe I will get the point across. We have under the section under construction, projects where the contract has actually been let, and under this section we are given the estimated cost. Now, what value is the estimated cost at that point when the contractor is already let, except if you want to say that somebody was wrong, their estimate was wrong by 10 or 20 per cent? An estimate is of no value once a contract is let, other than to prove that somebody is wrong: It is of no value. But when you start talking about capital projects, and where you are going, and how much you are going to have higher up, or what your proposed plans are, it seems to me, that you should have an estimated cost some place under "approved for working drawings". If you have "approved for working drawings", surely by that point you must have some idea of what the capital cost is for the project. Surely we do not have to wait until the contract is let and then we are told what the estimate is.

Hon. Mr. Connell: Yes, for our own benefit we want to know the estimated cost. We put this in here, but the contract price is not—you cannot compare that to the estimated cost because there are usually furnishings to go into that; we are talking about the

contract price here as the contract for the building itself; it does not include the architect's fees, it does not include the furnishings; it maybe does not include the cost of the land, and this type of thing. But the estimated project cost there, I think in most cases, includes all these others. It is there for your information. They have been asking over the years to get as much information in here as we can and this is our method of doing it.

Mr. L. A. Braithwaite (Etobicoke): I would just follow up, Mr. Chairman, on the list that we have here on our desks this morning. There are just a couple of short questions I would like to ask the Minister, through you. I see under The Department of the Attorney General that we have a court house and registry office for London, and we have a magistrates' court for Toronto. I wonder if the Minister could tell us—

Mr. Chairman: Order, please!

Hon. Mr. Connell: Mr. Chairman, I hesitate to question the member because he, like myself, is not on his feet too much. But the capital does come at the end, and I would think we should start to get back—

Mr. Braithwaite: Well I just—

Hon. Mr. Connell: I know, but these are the two preliminary speakers and I think we have got to get back to the estimates as they are presented.

Mr Gisborn: Mr. Chairman, I wonder if the Minister would tell us what are the other 20 projects that have been postponed, as mentioned in the announcement, rather than the five that were mentioned.

Mr. Chairman: When we are dealing with the capital vote surely we can deal with the projects or with the appropriate section, which is the capital votes for real estate branch; or whatever public building there might be.

Is that correct, Mr. Minister?

Hon. Mr. Connell: It is correct. I think I could give him the five main buildings at this time. One is our office extension, as I mentioned; the other covers renovations to Osgoode Hall and the Penetang hospital; there are five main ones and I can get the list of the other many smaller projects. I will get that list by the time we get to the capital projects.

On vote 1801:

Mr. F. Young (Yorkview): Mr. Chairman, I am intrigued by the final section of 1801, the planning branch, salaries, $18,000; travelling expenses, $500; maintenance, $500. I wonder if the Minister would tell us what this means. It looks as though it is one person in that branch? What does it do? What does it consist of?

Hon. Mr. Connell: This is a tentative amount; we still have not got a man on staff but we keep that open for when we do get a man to take that particular position.

Mr. Young: What is the position; what does it call for?

Hon. Mr. Connell: It is the director of the planning branch, one of the new branches that we have established.

Mr. Young: Is it a co-ordinated function, then?

Hon. Mr. Connell: Basically yes.

Mr. Chairman: On vote 1801—the member for York South.

Mr. MacDonald: I want to explore briefly the role of The Public Works Department from the policy level and just what the limitations of the Minister are.

I was rather curious about one of his own interjections which rather undercuts the basic argument that he has been making. His argument has been that he, in effect, is the expediter, he is the service department, he does what the Cabinet decides. If there are buildings to be built, he builds them; if there is land to be bought he buys it; if there are expropriations to be done, he does the expropriation. But when he referred to his comments at the wardens' banquet, he said that unfortunately he was a little under the weather at that time or he might have had something to say about the priorities. In other words he could, and as the man involved—

Hon. Mr. Connell: I was referring to the cut-backs at that time.

Mr. MacDonald: I agree, the cut-backs or priorities—take both of them in the same point because they are part of the same parcel. I do not think The Department of Public Works can be excluded from this overall decision. I am curious, therefore, as to what is the government policy involving that of Public Works on what has been done for this year. Unfortunately, I have had to slip out of the House briefly and conceivably

I have missed an answer to this, but I would refer it to this business of the much-heralded cut-backs which the Provincial Treasurer unveiled, of the $39 million in major projects and another $4.5 million.

On the straight policy level it was interesting, when you examined it, to discover that there was only $12 million going to be spent this year—I am sorry, $12 million to be saved in expenditures this year, of the $42 million or $43 million odd involved in the project. Now, even the government itself—for example, the Provincial Treasurer at the conference of Provincial Treasurers in Ottawa last November—put in a cautionary word on our actions to cope with inflation. He said, in effect: "It is possible as we move into 1968 that there will be a slow down in the economy and we will have to reverse our whole approach and give the economy a bit of a pick-up.

By the Minister's own testimony, there are serious situations across this province in terms of unemployment and, as my colleague has put it, in terms of far from a full exploitation of use of our human resources.

My question to the Minister—or to the Prime Minister, who is with us at the moment—is, has the government changed its mind? Is the evidence of wide-spread unemployment in certain areas and not a full use of the construction industry, is this not sufficient to reverse the policy as the Provincial Treasurer has indicated at the federal-provincial conferences last November, so that you can pick up the slack, and not only pick up the slack, but get into meeting desperate needs that have been postponed because of inflationary problems and the difficulty in getting the necessary capital?

What is the government's position at the moment? Are we right back where the Provincial Treasurer was in January, in a highly inflationary period and we must pursue our course, or has he reconsidered in terms of his own second thoughts?

Hon. Mr. Connell: I would suggest that he ask the Provincial Treasurer what he is thinking. I cannot anticipate what the Provincial Treasurer is thinking as of this morning, but we are here presenting these estimates as they were tabled here a few months ago. I do not believe it is as serious as you would indicate that some of the construction industry is slack. We do notice much better prices coming in on anything that we have tendered recently. The contractors seem to be getting their pencils a little sharper. But you have asked me so many questions I am not sure which one you wanted answered.

Mr. MacDonald: All of them.

Hon. Mr. Connell: You mentioned about it only amounting to $12 million of this year's. Well, that is $12 million less that we need this year, and if you start building a $24 million project, such as our second phase of the Queen's Park set up, this covers about a three or four year period. If you start a project like this it keeps our budget pretty well used up over a second or third or four year period.

Certainly today, as these estimates are presented, if the Provincial Treasurer has any different opinion or the economics people, we are not aware of it. This was a decision that was made by the government a few months ago to cut back a number of our projects. We are not changing horses in mid-stream, but, as I mentioned earlier, we have about $200 million worth of works on the shelf, and if things did become serious in the opinion of the government we are ready there to bring them out.

Mr. MacDonald: Well, fair enough, Mr. Chairman—

Hon. Mr. Connell: I might say, that over the years this is something that the Opposition, and the government themselves, have always indicated; that we should have a backlog of these things at our hands. It is certainly much more valuable than deciding to build a number of projects if things happen to be tough next month or the month later. You decide to build a building, it takes two years to plan it under the most desirable conditions.

At the present, we are in a very strong position if there is any slacking off to go ahead with some other projects, but if unemployment is high in Hamilton, you do not build a building in Ottawa to help the employment out—I will use that as an example. I think some of you indicate that you should snap a building any place you get the urge. If you have a building planned for Toronto you cannot just transfer that to the city of Hamilton or Port Arthur, it is not that easy. I would not consider myself a responsible Minister if we just put a building up for the sake of putting a building up. We put it up where we feel it is needed.

Mr. MacDonald: Well, Mr. Chairman, the Minister is obviously on fairly sound ground when he says: Do you ask the questions of

him, ask the questions of the Provincial Treasurer. What I was trying to find out is whether word has trickled through to him indicating that there may have been some revision of approach by the government. There might have been, for example, a pick-up on those 20 projects of only $4.5 million, because, quite frankly, those 20 projects quite likely are pretty vital in terms of a lot of little communities across the province of Ontario.

The other point that I think should not be ignored is that it is not simply a case of cutting off the expenditures for this year, you have already expended a fair amount. It is interesting, in the Provincial Treasurer's statement in which he noted that working drawings for these projects either have been completed or are in an advanced stage. Somewhere else in this statement, I just cannot spot it for the moment. They indicate that you, in effect, have bought the steel. I think it is for the second Queen's Park complex here, and you have stored it.

Well this is not an economic way of approach. You buy the steel and you store it. You have capital invested and sitting there, in effect, idle because you have decided to extend the timetable of your programme. There is an economic loss in that, I think the government should take a look at.

There is a final point on the policy level—I do not want to take a great length of time on it, but the hon. member for Downsview interjected and said, "Were we, in effect, suggesting some direction in terms of overall planning?" I suggest, Mr. Chairman, that governments have to quit their hypocritical approach. Either they are going to tackle seriously, the problem of inflation and plan the use of our resources, or else they are going to quit this argument that this involves direction—and presumably, they are opposed to direction.

For example, surely it is plain common sense, that in the over all direction of an economy you should look at not only the public sector, but also the private sector. If you have to cut back because of shortage of capital, because of inflationary pressures, the proposition that the public sector should be the only sector that should suffer the cut-back, and that the private sector should go on their merry way as they please, putting projects that have far less social value in the community, is not common sense.

In the over all direction of an economy, which is the responsibility of the government—increasingly governments of all complexions are accepting that responsibility—you have to take a look at the situation, and it will involve some measure of direction. Do not let us suggest, for example, from the hon. member for Downsview that that is not done. It is done in a ruthless, ham-fisted fashion.

When Mr. Sharp, as Finance Minister, suddenly cuts back on capital, what in effect he does, is to say to a lot of little people who need to build and their needs are great: "You cannot get the capital because we have frozen you out". But for the big corporation that happens to have in a sock sufficient reserves so that they can meet 50 to 75 per cent of their requirements for continued development, they can go to the bank, and with that 50 to 75 per cent, they will get the remaining amount.

So, in effect you have got direction, but it is a ham-fisted kind of direction which, in effect, gives the larger controlling interest in the private sector a completely free hand while the little people in the private sector are squeezed out by this kind of approach.

My plea is that when we get into an inflationary period, or if we get into a period in which capital shortage is such that interest rates have to be looked at, it is a legitimate proposition that the government should look at the over all needs of the economy and not just enforce all of their cut-back in the public sector. That simply means that you get less needed, lower priority building in the private sector, while desperate needs on the public sector have to sit on the shelf. The Minister says he has got $200 million on the shelf that he can move on as soon the government sees fit to revise its programme.

Mr. Gisborn: Well, Mr. Chairman, I am interested in the hon. Minister's comment that he has $200 million worth of projects on the shelf. I wonder if he could give to the members of the House a list of these projects because that amount of money gives us a projection for the next three years, into 1972. Let us see what the priorities are, what is involved in this $200 million shelf of projects he has in the province. That is one of the points we have been trying to get across for the past five or six years. We want some idea what this government intends to do in a projected five-year programme in the province. It is not long enough when we get into the golden horseshoe or the Metro Toronto area. That kind of projection has to be made for five, 10 or 15 years but when he tells us he has $200 million worth of projects on the

shelf to play around with, that would give us a projection until 1972. Tell us, what are they? Can we have a list of them so that we too could look at them and see whether they are in the direction of the priorities and the human betterment programmes we are talking about?

Hon. Mr. Connell: They are basically in the blue book—and here we are getting off this vote again—but they are basically in the blue book. The member for York North used the words "trickling down from the Provincial Treasurer". This list I put out this morning is some indication that we have not bogged down completely, that always these are new projects that have been approved in principle.

As far as the list is concerned, I have not a list but they were dealt out as the member for Hamilton East asked. If you look over that blue book a great portion of this shelf of public works is in there. It is not all ready to go but there is a great deal that would be ready within a number of weeks or months.

Mr. J. P. Spence (Kent): Mr. Chairman, I would like to ask the Minister with regard to his opening remarks—he intimated that Ontario would have an Ontario pavilion at the world fair in Japan in 1970. He also stated that he had engaged a firm in Japan to construct this building. Could you enlighten us, will this building compare with the Ontario pavilion that you had at Montreal last year and what it is estimated to cost? I am not objecting whatsoever, Mr. Chairman, to Ontario having a building there. I think it is a step in the right direction.

Hon. Mr. Connell: Here again, we are off this vote completely but in answer to the member's question, this building is only in the planning stages. It is estimated that it will be roughly a $2-million building. I think that is the total amount and here again, we are in an area of—

Mr. Chairman: The member for Downsview.

Mr. Singer: Mr. Chairman, on the subject of vote 1801, sub vote 4, the Minister has an item about grants in aid and remedial works —it looks like drainage and conservation work. He has not got a very large sum of money there, only $100,000, but there is an ARDA programme and there is a conservation authorities programme and so on. How many people do we have doing the same thing? If it is being done reasonably by the conservation authorities—the municipalities are doing some—if The Department of Agriculture and Food has some, why do we need this kind of thing in The Public Works Department?

Hon. Mr. Connell: We do not have as much in this area as we did a few years ago. Two or three of these areas were switched over to The Department of Municipal Affairs but we have always had the grants to municipal drainage. This is where—

Mr. Singer: No, I was not talking about that. I was talking about the $100,000.

Hon. Mr. Connell: I thought you mentioned both. The municipal drainage is for those very small projects, where maybe only one or two farms are involved—that type of thing. The others, I think, were basically—most of the money has been spent over the years up in the Essex-Kent area on small drainage projects and the government has seen fit to leave it with this department. I would not know where else it might be. Usually that money is spent with the co-operation of the federal government. We usually work it out on a 50-50 basis for most of these projects. I do not know whether you are interested in the expenditures during the last ten years or not, but $678,000 has been spent during the last ten years and—

Mr. Singer: How many years?

Hon. Mr. Connell: The last ten, I believe; so that is $67,800 a year. I think there is one project imminent in Essex, up in that general area.

Mr. Singer: Mr. Chairman, if you are doing something in the consituency of my colleagues from Essex, it is most commendable but what puzzles me is, how you fellows sort out who is responsible for what. As we go through these estimates, vote by vote, you see that each Minister seems to overlap some of the business of the other Ministers. It would seem to me that if we have a particular Minister who is responsible for conservation and that sort of thing and/or in Municipal Affairs, and Agriculture and Food gets into it through ARDA, why do we need yet another Minister and yet another group of civil servants to be concerned substantially with the same sort of thing? A little later, when we come to this legal branch of yours, I am going to make exactly the same point.

I think the government is being inefficient when they assign substantially the same kind

of responsibility to three, four or five Ministers, all of whom exercise a different kind of discretion, all of whom have a different group of civil servants doing the same thing. It is bound to be inefficient, no matter how worthy the work is. As I say, for the work that you are going to do in Essex, I know that my colleague is going to say, "Good for you, it high time you did it," but it is inefficient because you have several departments dealing with exactly the same thing, and it is bound to be more expensive, it is bound ot be less useful because you split the authority.

Hon. Mr. Connell: I would like to indicate that the member for Downsview never gets out of the city of Toronto, but there are many different types of drainage. The drainage that we are referring to in this vote is involved with the shoreline or where the federal government is involved or where there has been areas of flooding, say, by extreme storms or something like this that causes flooding and damage. This is a little separate area to what some of our other drainage projects are concerned with, but usually, in anything to do with the shoreline or where shipping is involved, the federal government has been most co-operative in coming in with their 50 per cent. These projects we either approve or the federal government has come along and usually approved of their 50 per cent.

Mr. MacDonald: Is there 50 per cent included?

Hon. Mr. Connell: No.

Interjections by hon. members.

Hon. Mr. Connell: The question I wanted to get an answer for is this: Where it is international waters that are concerned, we get help from the federal government but the work itself is administered by our own government rather than by the federal government.

Mr. Singer: Mr. Chairman, the question by the hon. member for York South, and the answer from the Minister, puzzle me. You will recall, Mr. Chairman, we were discussing the vote for EMO, that it seemed a little hard to understand why, if there was a cutback in EMO, the figure in the book had gone up very substantially. And the Attorney General said, "Well, this year, I did not prepare the figures, but I am told we are doing it on a gross budgeting basis, and the figure that you see for EMO is a figure which includes the federal grant". Now, the member for York South said, "Does this $100,000 include the federal figure?" and you said "No". How are we supposed to tell who is doing gross budgeting and who is doing net budgeting and why cannot all the departments budget on one system that we can follow through? Is this a gross figure or a net figure?

Hon. Mr. Connell: I would say this is Treasury board's responsibility; we are directed by the Treasury board in setting up our estimates, and certainly this figure, as indicated here, averages $67,000 over a year. We have to estimate this figure on this type of drainage work; it is not the same as building a building where you know the square-foot cost. It is acting on drainage-type work and I think any of my rural friends would agree with me that is rather difficult to estimate these things. This $100,000 is only an estimate and there are two main projects, the one in Essex and the other one in Kent.

Mr. Singer: Well, Mr. Chairman, I cannot get an answer. The Minister is avoiding the two specific points I put. Let us deal with them one at a time.

The Minister says, and this is not dealing with the merit, I just want to figure out how the estimates are presented to us. The Minister says the $100,000 figure here will be matched approximately by the federal government, so, in fact, the projects will cost about $200,000. Am I correct in that understanding?

Hon. Mr. Connell: Well, I told you it is only an estimate.

Mr. Singer: All right. I am not trying to pin you down to the last dollar. But whatever you have here, or whatever you are going to spend is approximately going to be matched by the federal government. That is what you said.

Hon. Mr. Connell: If they approve of it.

Mr. Singer: All right. But that is your intention. Now, let us go back to the Attorney General's (Mr. Wishart's) estimates—

Hon. J. P. Robarts (Prime Minister): Did we not spend enough time?

Mr. Singer: Well, we did, but I am trying to figure out some consistency, or hoping that that you will bring some consistency to setting up this book, because when we got into the Attorney General's estimates and tried to figure out the size of the EMO vote of this year, compared to last year, the At-

torney General said, "it looks like the figure has gone up, but in fact it has gone down. And it has gone down, even though the book says it has gone up, because we are doing a different kind of budgeting."

The Treasury Department has directed us to put in gross budgeting. So even though it says we are going to spend $1,600,000 this year as compared to $400,000 last year, we are spending less than we did last year. All right.

Now we move onto the next department and this Minister says, we are back to net budgeting. My question Mr. Chairman, is very simple. Why, if the Attorney General is told by The Treasury Department, or whoever determines the set-up for these estimates, that he has to put his figures in on a gross basis, why is the Minister putting them in on a net basis? Is it not reasonable that we can expect that when you look from one set of estimates to the other, they be set up on the same basis in the estimate book?

Mr. MacDonald: Mr. Chairman, let me return to the earlier point—about why we have a division of departmental responsibilities in dealing with the whole question of soil erosion and diking and things of this nature. This Minister's contention was that this dealt with international waters, which brought in the federal government. But many of our other conservation projects, which deal with the same thing—our ARDA projects—have grants from the federal government.

So, the case is not strong just because it happens to be a phase of work in which the federal government is sharing. It is being done in other departments with the federal government sharing. I do not want to belabour this point, but I think there is some merit in the suggestion—even though there may be different kinds of drainage, different kinds of erosion—that should not be divided up into a half dozen different departments so that we have pockets of it here, there and the next place.

Mr. Chairman: Vote 1801 agreed to?

Mr. R. F. Ruston (Essex-Kent): On outlets, and so forth, of waterways, I see that, as the Minister has stated, he is involved in these. But who is actually the custodian of these outlets that you share in on a number of occasions with the federal government?

We would say this is a rough creek, or something, an unnatural water course, and back from the lake for so many hundred feet. There is an outlet—who actually is responsible in the first instance, who actually has the official right to start any proceedings to remedy situations, to alleviate flooding and so forth?

What I am getting at, partly, is the point that in some of these areas where private land-owners that own adjoining property start filling in river banks and they fill in a little more, and then after a period of two years we end up having a river that was 150 feet wide only 40 feet wide. Then when a large ice-break-up in the spring comes, we have no place for the ice to go. And I am wondering just what control of these outlets we actually have?

Hon. Mr. Connell: Your original question, I believe, was who initiates the action? It is usually the local municipality involved that initiates the action. Most of this area, where it is involved with the shorelines, these things are changing year by year and I cannot name them to you offhand, but there are many areas where we have had to go back five years later, ten years later, and maybe carry out the same, almost an identical programme.

Mr. Ruston: Well, I seem to have a problem in finding out who actually is the owner of the property in these river beds. This is what I am—

Hon. Mr. Connell: I think I am correct in saying that the federal government certainly try to back off as many of these as they can with their responsibility, and yet if there is a good programme they have cooperated very well with the local municipality and ourselves in contributing to whatever is necessary.

Mr. MacKenzie: Mr. Chairman, this item 4, purchase of lands, I wonder why the purchase of lands is under ordinary expenditure and not under capital. How much is involved in this $100,000 for the actual purchase of land?

Hon. Mr. Connell: What vote are you on?

Mr. MacKenzie: Vote 1801, item 4.

Hon. Mr. Connell: There are sometimes small pieces of property that are involved in these remedial works, and it seems to me we do have to purchase some of this land for the project.

Mr. MacKenzie: I appreciate that, Mr. Chairman, but the question was: Why is it not under capital expenditure, and how much

of this $100,000 goes towards the purchase of land?

Hon. Mr. Connell: There is very little and really we have seen fit to keep the municipal drainage remedial works separate when we are dealing with the federal government. We do not feel that it goes into our capital—

Mr. Singer: Mr. Chairman, I am going to persist in this. I would like to know why this department and The Attorney General's Department apparently has a different system of budgeting. Why do you do it apparently on a net figure and his department on a gross figure?

Hon. Mr. Connell: I cannot tell you anything about the Attorney General's branch and budgeting, and I do not think it refers here, but we are on gross budgeting all the way through in our department.

Mr. Singer: Well, if you are on gross budgeting then I can properly understand what you said earlier, because you said the $100,000 figure propably represents a $200,000 expenditure because another $100,000 comes from the federal government. Is that correct?

Hon. Mr. Connell: That is correct.

Mr. Singer: Well then, you are not on gross budgeting you are on net, because you have only got the $100,000 figure here on page 106.

Hon. S. J. Randall (Minister of Trade and Development): We spent only $90,000. That would be the net amount. The $100,000 would be the gross amount for the province. If it was matched by the federal government by another $100,000 that means that if this province spends $90,000 there would be $180,000 spent, that is the net budget amount. But the gross amount is $100,000 provincial and $100,000 from the federal. It would be $200,000. I think he has made himself perfectly clear.

Mr. Singer: The assist from the Minister is not very helpful at all. The obvious thing is Mr. Chairman, that it may well be—

Hon. Mr. Randall: It obviously just said what you want to know.

Mr. Singer: Whoever prepares these books and I suspect it is somebody who is hidden back in some back office—probably has not gotten around to the 20th department. The Attorney General comes first in the alphabet; maybe change that system first. But it would be helpful to us Mr. Chairman, if all the departments budgeted on the same basis, and obviously they do not.

Hon. W. D. McKeough (Minister of Municipal Affairs): When are you going away for the weekend?

Mr. Singer: Oh soon!

Hon. A. Grossman (Minister of Correctional Services): Maybe we had better start meeting on Sunday if we are going to continue this nit-picking.

Mr. Singer: Mr. Chairman, I am sorry to have disturbed the Minister of Corrective Institutions or whatever he calls himself, but I would think that it is only reasonable and fair since you want to make an issue of it. Let us make and issue of it. I would think it is reasonable and fair that when we get these estimates they are all prepared on the same basis, and that if one Minister brings them in one way we can anticipate reasonably that the next Minister is going to bring them in in the same fashion. The way this is, they are designed to confuse.

Hon. Mr. Robarts: I can answer Mr. Chairman. I think confusion arise in the types of programmes we have. In some programmes one is able to estimate the participation of the federal government, and then budget on a net basis. In another type of programme we make our expenditures on a gross basis and then get what we can on a sharing basis from the federal government.

For instance, I do not want to get back into the estimates of the Department of Health, but if you check there you will find that the federal government owes us on one basis some rather considerable amounts of money for hospital construction which they say they cannot pay because they have not budgeted for it. It is not in their budget. But under a cost-sharing programme, we have a claim that may be paid next year, or the year after, or the year after that. In that case, of course, our budgeting would have to be on a gross basis. You can understand, because we have to meet the expenditure from our funds and claim back what we can claim.

I have listened to this disussion, but this really is not the basis of the difference between budgeting on a net. If you have a fixed programme subject to iron-clad agreement of which there are some between ourselves and the federal government, then you know precisely what you are going to re-

ceive from the federal government. On other programmes we go ahead with our programmes—and I think this might be true of this programme here—and then we claim back, so that sum will then come into our revenue figures rather than be shown as a deduction from the amount budgeted. I think that this probably is the case as far as the Attorney General is concerned. He is budgeting gross and then what we get from the federal government is their contribution to the programme and will appear in our revenue figures. Now really this is why there can be two different ways of achieving the same result. It is simply a matter of practicality.

Mr. Singer: Well, this is the first year that I do not know that it is worth pushing this point any further. This is the first year that the Attorney General got into the system of gross budgeting, and it is the first year to my knowledge that the gross budgeting figures have been reflected, so that when you come to the total expenditures—and the total amount of the budget, the $3,734,759,000—it is really hard to determine whether that is the figure or it is not the figure.

Hon. Mr. Robarts: Well, it really is not. We can sit here and nit-pick forever, but if you go to the Provincial Treasurer's budget statement you will find listed there from where the revenue of this government comes. That is where you will find it; it is all there.

Mr. Singer: Well, I continue to make my plea for consistency so that we can look at the figures and hopefully they will mean the same thing.

Now, Mr. Chairman, I do not think we have had a satisfactory explanation as to why this little item should be tucked in this department, when there are three or four other departments that do apparently the same kind of work. Would it not be logical where other departments have very large budgets for this kind of work, that the modest figure of $100,000 be given to them if this kind of work is important?

Vote 1801 agreed to.

On vote 1802:

Mr. Singer: No, Mr. Chairman, the echo group is not going to push these estimates through before we have a reasonable opportunity—

Hon. Mr. Robarts: I am certain you are happy.

Mr. Chairman: On vote 1802?

Mr. Singer: Yes, on vote 1802, and with due apology to the noisy member for London South (Mr. White), I am glad to see he is back again. What were we opening in eastern Ontario yesterday?

An hon. member: Oh, he was meeting the presidential candidate.

Mr. B. Newman (Windsor-Walkerville): Oh, yes, the Thousand Islands bridge.

Mr. Singer: On 1802, the real estate branch. We are all very humorous today. Is this branch run only for government operation? The large figure, the $7.75 million figure that you have there? Is this only for leased premises in regard to the operation of government, or do you supply services out of this branch to other people who are interested in acquiring real estate? Is there again the whole idea of co-ordination? Do you just limit this to government operations, or are your facilities available to other departments?

Hon. Mr. Connell: I still do not understand the second part of your question. I mean, you leave the second part in mid-air. You are practically in the first part, but do not know what we are comparing it to.

Mr. Singer: Well, The Department of Highways wants to have some quarters. Can they get them on their own? Do they have to come to you? Does it come through this branch? Highways wants to acquire some more land for building a new road. Does it come through this real estate branch, or does it come through you?

Hon. Mr. Connell: Leasing arrangements we look after. If they want to buy property, they have their own property section for purchasing land.

Mr. Singer: Well, why do we not have a central real estate branch that looks after all real estate for the province? I would think, Mr. Chairman, that there must be, since there is an expenditure of $8 million. There must be some considerable knowledge and ability in this department in public works. Why should we have competing departments and additional civil servants and add to the waste and the strength of the civil service in setting up competition in various departments to do exactly the same thing? Would it not be more efficient and reasonable and logical if all real estate activities of the government of Ontario were gathered under the one head?

Hon. Mr. Connell: Well, I am given to understand that a few years ago that it wall all in The Department of Highways when it was recognized that Public Works should maybe handle all the purchasing and leasing outside of The Department of Highways section. Other than that, I have no comments to make. You have made an observation, I do not think that it is my position to comment on it.

Mr. Spence: Mr. Chairman, under this vote, I notice last year offices built for the provincial police across this province and that your department has advertised for someone to build these offices, and then you lease them back from them. I noticed in your workbook last year that you had one at Danko, and one up in the north, and we see across the province, other provincial police offices being built. Are you continuing the leasing of offices for the Ontario Provincial Police? How much has this increased this year?

Hon. Mr. Connell: Yes. I would say that basically we are following a policy of leasing OPP buildings. I think that we have 75 to 80 per cent of the requirements leased, and this works out very well. That is for detachment buildings and so on. We build the headquarters.

Mr. Spence: I would like to ask the Minister: Why do you lease in one area and construct in others? It seems unusual and this has been asked of me a number of times. Maybe you can clear this up for me?

Hon. Mr. Connell: Are you just speaking of OPP?

Mr. Spence: Yes. Provincial police detachment offices.

Hon. Mr. Connell: As I mentioned earlier, if it is a detachment building, we lease; if it is a headquarters we build our own. There has been a backlog in need for updating OPP buildings, and we find that this is one way of getting on with it. The OPP finds itself faced with this need for flexibility due to the change in traffic flow. This is not available in building a building in one place. The highway patterns change and the highways change, so leasing has worked out better in this instance. Now, I do not know if that answers the question. I have a policy statement as far as building versus leasing in all areas, but you asked for OPP.

Mr. H. Worton (Wellington South): Mr. Chairman, is the one in the Guelph area, for instance, leased? Or is it owned by The Department of Public Works?

Hon. Mr. Connell: Yes, we own that building.

Mr. Spence: Is the one in the Ridgetown area owned or leased?

Hon. Mr. Connell: It is leased.

Mr. MacKenzie: Mr. Chairman, I wonder if the Minister would tell us out of this item of $7,780,000, exactly how many different spaces are leased? In other words, take a building with four floors, we would count that as one space. In the province of Ontario, how many spaces do we actually lease?

Hon. Mr. Connell: Individual buildings?

Mr. MacKenzie: Well, no. You may rent space in a building, but not the whole building. Another building you may rent all the floors, and this would be another "space". How many different units do you rent in total across the province? How many leases have you?

Hon. Mr. Connell: I could give the list, but it would take the next 20 minutes, and—

Mr. MacKenzie: I am just interested in the total number.

Hon. Mr. Connell: Approximately 500 locations.

Mr. Chairman: Vote 1802?

Mr. D. M. Deacon (York Centre): Mr. Chairman, does the department attempt to get premises that are air conditioned, or are the views on air conditioning lax? I know that there has been a problem in the past in that the government has attempted to be fair in that if one building is not air conditioned, then none of the others are either that are provided for anyone in the public service. Has the Minister views on this very important matter of air conditioned premises?

Hon. Mr. Connell: I do not know if I should say that we have softened up on the matter, but certainly in the new buildings we are erecting, we are basically installing air conditioning. On leasing, it seems to be if we can get it, we do. We are leaning towards air conditioning wherever possible much more than a few years ago, although certainly, it adds a great deal to the cost of the buildings. It is a very expensive item, whether building or leasing, and from a personal point of view, I still question for

the few days that it is needed, if it worth the cost. But the government is leaning much more to air conditioning in both leasing and where we provide our own facilities.

Mr. Deacon: Mr. Chairman, I raised this point because I do not think that it is a matter of softening up in the approach that we are looking for. It is a matter of trying to provide conditions that are conducive to the best production. I am sure that in the private sector where they are having to justify dollars constantly to the stockholders that they would not be putting in air conditioning to the extent that they are unless it was producing results that would please the stockholders.

I therefore, suggest to the Minister that this is good economy. We do not find that people are as disinterested due to the heat and oppression even though it may be for only a few days in the year. I know that in the experience of the business with which I was associated for some time, it made a tremendous difference to the production in the hot part of the summer. It certainly justified the 30 to 50 per cent increase in per square foot cost that resulted in going to air conditioned premises.

I hope that the Minister will aggressively pursue this approach from an economic point of view, rather than regarding it as a matter of softening up.

Hon. Mr. Connell: I think that the member is probably right. There are many people who are not enthused and find it difficult working in air conditioned buildings, but certainly it is the present trend, and I just happen to have a few personal opinions on it. But I do not let them interfere with my thinking on this line, and we will review as the member suggested.

Mr. Deacon: I would like to remind the Minister that there are new systems produced by engineering such as that in the Adelaide-Richmond centre, where it does not add to the expense. Their heating or air conditioning is by the use of heat pumps. This would result in savings in maintenance for our buildings.

Mr. Chairman: The member for Timiskaming.

Mr. D. Jackson (Timiskaming): Mr. Chairman, it is my understanding that this department is responsible for the provision of student housing. In the Kirkland Lake area, where we have a new campus of the Ontario college of applied arts and technology, I understand that they have acquired a building from the Lakeshore mines on behalf of The Department of Education to use as student housing.

This building was acquired two years ago, and I would like to know how much longer it is going to sit empty, or is there some plan for its use?

Hon. Mr. Connell: The member is quite right. We did purchase the building for the Kirkland Lake campus. I think basically, sir, that student housing is under the student housing corporation, and so, therefore, I have no responsibilities at this time for that particular building.

Mr. Jackson: I can understand the Minister's point, but, the renovations for this building for use as student housing will be done by The Department of Public Works, is this not so?

Hon. Mr. Connell: I am given to understand that the board of governors is looking into this. I am not sure whether that is correct. I am not aware of any request for us to renovate the building any further.

Mr. Chairman: The member for Ottawa Centre.

Mr. MacKenzie: Mr. Chairman, The Minister tells us that the department has 500 leases, or 500 spaces, and there were a couple more questions attached to that. I was wondering exactly how many square feet are involved at the present time that the department is renting? And after he gives us the number of square feet, would he tell us what the department is paying per square foot per year for the space, and would he give us representative figures for air conditioned space, non-air conditioned space, space in the city of Toronto and space in a place like Kirkland Lake, or anything which represents figures as they are representative?

Hon. Mr. Connell: That is a very involved question. I know we have all that information, but I just could not give it to you off hand. I will get that information for you very accurately and very shortly.

Mr. Chairman: Vote 1802?

Mr. B. Newman: Mr. Chairman, if I may ask the Minister, at what stage in the leasing process does he find it economically feasible to construct in a given community rather than lease? I ask that question because of

my interest in consolidating government offices in major centres.

Hon. Mr. Connell: Well, there again, that is a difficult question just to answer at a figure. It depends on the area and the conditions and maybe just to—

Mr. B. Newman: Let us take major centres then, Mr. Chairman, maybe this will narrow it down.

Hon. Mr. Connell: I will just read this short note into the record so as to indicate how we approach building versus leasing.

The department's method of operation in this regard is to analyze each building proposal individually in terms of cost to the government, suitability, technical functioning and economic lifetime of the building considered, aesthetics, and community integration, and the impact of the transaction on the economy. Only then is it possible for us to decide in favour of buying or leasing, and we lease—

1. When we are faced with space requirements too urgent to be met by new construction, or where we are short of the necessary capital to make the construction expenditure.

2. When cost is of relatively great importance, *vis-à-vis* the meeting of our town design and construction standards, which are in certain instances, exceptionally high.

3. Where a permanent government building is unwarranted since the users require mobility in terms of location of flexibility, in terms of type of accommodation.

4. We are currently planning lease-back transactions in order to provide needed accommodations on government-owned land which could be redeveloped and we build—

(1) Buildings which are obviously required by the government on a permanent basis where our requirements can be fairly accurately foreseen and are reasonably constant.

(2) Buildings on which our design specialists have to have the expertise to do the best job, and where it is important for us to control the construction details through specifications.

(3) Public buildings where economic considerations may be of secondary importance.

(4) Special purpose buildings in out-of-the-way locations where the leased buildings market is limited.

Now, that is basically what we follow here in Public Works as to the determination of leasing vs. building.

Mr. B. Newman: Well, Mr. Minister, do you have any long-range plans on consolidation of the government buildings in major communities, not in the smaller—I am referring to the big metro areas—like Windsor, London, Kitchener, Hamilton, Toronto, Ottawa and so forth.

Hon. Mr. Connell: Not specifically. We have not become too enthused about provincial buildings as such. Naturally here in Toronto, as I indicated in my opening comments, we are trying to centralize in Queen's Park to quite an extent—for the various reasons I gave at that time. In Kenora we are having buildings built for us on a lease-back basis where we are concentrating four of five of the departments. But basically—and I have explained this for many years in the Legislature—we are not enthused about provincial buildings as such. I think it is good because we are leasing—the city, or town, whatever it is, is getting full taxes on it. Where we own the building, why, this is immediately cut down, and it is difficult to pick out an area. For example, the OPP; it is such a good theory to have all the buildings concentrated in one but naturally the OPP want them out on the highways; The Highways Department want theirs in some other area; The Department of Transport need a building where traffic is not congested; so as I say, it is the greatest theory in the world to put everyone in one building until you get working at it, and then you find it is most impractical.

Mr. B. Newman: Mr. Chairman, certain types of government operations lend themselves to being centrally located, so would it not be financially advantageous to centralize buildings in those areas in which it would be to the citizens' advantage to be able to go to a central location and find various government offices, rather than have, in a community, to go to half a dozen different locations?

Hon. Mr. Connell: Here again, there are so many areas that you can argue this point every way. But if you build a building downtown in, say, Windsor—which I imagine you are referring to—you need it downtown in the high-cost area. And if your requirements are only for three floors, this is not economical in downtown Windsor, I would think. You would need seven or eight or may 15, so I go back to my statement of a few

minutes ago. We look into all these areas but basically we are not enthused about putting all the government buildings under one roof, or buildings for our own purposes.

Mr. B. Newman: Well, is not that contrary to your Queen's Park complex then?

Hon. Mr. Connell: Here we have a different situation where you are not dealing with —we certainly have not brought the OPP up here, we certainly have not. The Highways are up on 401, but we are dealing with a different type of requirement here altogether in the city of Toronto, I suppose this maybe is not any different, but with so many people coming in and wanting to visit government offices, I think, from outside, it is best to have them located in this close network.

Mr. B. Newman: Might I ask of the Minister then, being specific, what plans he has for the area that is presently owned by the department in the city of Windsor where at one time there had been prosposed a provincial public building? Do you plan on having that remain as a park, or donating it to the city, or what?

Hon. Mr. Connell: We have no plans in mind of changing the present arrangements.

Mr. B. Newman: Leave it as it is?

Hon. Mr. Connell: Yes.

Mr. Braithwaite: Mr. Chairman, I wonder if the Minister could tell us, on these leases, is there any particular policy that government has with reference to short-term or cancellation in the event that the buildings being built are completed and the lease has not run out?

Hon. Mr. Connell: I do not know that I understand the member's question completely. Would you mind repeating the question? I did not—

Mr. Braithwaite: Basically, take for example one of the buildings we have leased here in Toronto. If one of these complexes is completed in June, 1968 and their lease does not run out until perhaps June, 1969, do you have as a standard policy a clause in your leases allowing you to cancel on short notice?

Hon. Mr. Connell: I do not think it is presenting any problem. Our requirements are always large and we either negotiate with the owner, or there is always some other department that is ready to move in there. We would not be in the practice of terminating leases in advance of their expiration date.

Mr. Braithwaite: This problem has never come up then?

Hon. Mr. Connell: I am not aware of it.

Vote 1802 agreed to.

On vote 1803:

Mr. Chairman: There are a number of items in this we might consider in succession. Accounts branch?

Mr. Gisborn: Where would one get some idea of, or the exact figures on, the assets of the province in regard to public buildings? Has the Minister got them in the statistical reports that he is working from, or is there any place where one could find what are the assets of this province in regard to the buildings it owns?

Hon. Mr. Connell: Certainly I do not know that I have the total here. We have under our control about 5,500 buildings of one description and another. If the member wants any totals in that respect, I would have to ask him to give me a day or so to get the totals in detail. This is what I understand the member's question is about.

Mr. Gisborn: What I am trying to gather from the Minister is, what kind of records are kept in regard to the quantative assets of the province and the monetary assets under his department, those buildings that belong to the government and are used for government buildings? Have we got the records in such a way that we could have an accounting of the assets of the public buildings, both in quantative and monetary senses and depreciation values? Do we know what buildings we should be starting to think about dispensing with because they are no longer useful? What kind of accounting records have we in this regard?

Hon. Mr. Connell: I understand. If you look on page 6 of the public accounts they are pretty well listed there as far as the latter part of the question, when a building should be torn down. I think those decisions are now made.

After many years we have just torn down the Brigden building on University Avenue, but it usually does not present any problem when we should tear down buildings. Our problem is to get new ones.

I think on page 6 it pretty well gives the figures there of the total assets. If the member wants it in any more detail I would be

pleased to get it for him, but not right at this moment.

Mr. Deacon: Mr. Chairman, I wonder if the Minister could advise me; I understood from the Provincial Treasurer's office that the record was kept in The Department of Public Works as to the various assets, both real estate-wise and furniture-wise, and that there was a record kept of depreciation and all that is in this public accounts section. Is that not the case?

Hon. Mr. Connell: We have all that, but if you want details on it I cannot provide them at this moment. But we will provide totals or any particular details of it.

Mr. Deacon: Mr. Chairman, would it be available for us if we wanted to look at these? I can understand this would be a very bulky affair, but it would be available for people to look at if they wanted to see the breakdown of assets and their condition as recorded in the accounts? Are they available for people to look at?

Hon. Mr. Connell: Every door is open in The Department of Public Works.

Mr. Chairman: Accounts branch, carried. Administration, carried. Duplicating and print shop, carried. Stationery and office supplies, carried. Post office?

Mr. Deacon: I would just like to say that I think the figure for the post office is a very modest figure for the work these people do. They seem to do a pretty good job for us.

Mr. Chairman: Communication services?

Mr. Gisborn: Mr. Chairman, I wonder if the Minister would explain just what this entails in his department, communication services?

Hon. Mr. Connell: Well, it is all communication systems, whether it is the leasing of lines; we look after all the telephone communications for all departments and the leasing of private lines and toll charges, anything in connection with the telephone service we are responsible for.

Mr. Gisborn: I would ask the Minister through you, Mr. Chairman, what is the number of staff applied to this particular department and what are their qualifications as employees in this occupation? Are they in the electronic field? And does the department do some of its own technical work in buildings and in the department?

Hon. Mr. Connell: I understand we have a staff of 62 in that department. They vary from telephone operators to the technical type of person that the member indicates, those people who are installing lines and this type of thing. They cover the waterfront.

Mr. Gisborn: Then I take it there are electronic technicians in this department. They do some of the work that might previously have been done by Bell Telephone employees?

Mr. MacDonald: Mr. Chairman, with increasing frequency in recent months, when one attempts to get a line out of Queen's Park, you find that all lines are busy, even though you may have a system in which there are five office lines to go out or in. I assume this means that the switchboard complex is just overloaded. Is this a general problem and what, if any, action does the Minister feel needs to be taken to cope with it?

Hon. Mr. Connell: Well, this is an old chestnut, too. I was warned very strongly against making the lines too public to the members.

Mr. MacDonald: I am not talking about them, I am talking about the general proposition of wanting to get a line out of Queen's Park locally.

Hon. Mr. Connell: This is exactly what I am talking about.

Mr. MacDonald: No, no, locally—not to other centres. I am sorry, I am not talking about the private lines to other centres in the province, I am referring to a line out, through the switchboard, to make a call in the city of Toronto. You find that you just cannot get a line out.

Hon. Mr. Connell: Well, I am told the equipment is being expanded right now to help take care of that.

Mr. Chairman: Legal branch?

Mr. Gisborn: No, Mr. Chairman. We digressed from my questioning. How many employees are there in the department of communications who are termed as electronic technicians?

Hon. Mr. Connell: The member uses the term "electronic". I do not think we have a heading under "electronic". But electrical people—there are 62 in communications. We

do not have it broken down at this point as to what they are. There again I can get that for the member. There are 17 technicians, electrical technicians as they are termed.

Mr. Gisborn: Could the Minister tell me if they are taking over work recently that was previously done by Bell Telephone employees?

Hon. Mr. Connell: We do not touch Bell Telephone work.

Mr. Gisborn: What do they do then?

Hon. Mr. Connell: These are internal systems. I am frank to admit I do not understand a lot of this electronic equipment, but there are systems which are inter-communications between offices and things that are separate from the Bell Telephone itself.

Mr. Chairman: Communication services, carried. Legal branch, carried. Management systems branch, carried. Purchasing branch?

Mr. Spence: Mr. Chairman, under this purchasing branch, a central purchasing agency is going to be set up. Will this come under this department?

Hon. Mr. Connell: Yes.

Mr. Spence: And will everything be bought through this purchasing agency, say, for every branch of the government?

Hon. Mr. Connell: Not everything. Just in those areas where it cannot conveniently be handled, but where it is to the advantage of the government to handle it at any rate. It is those common items that every department uses.

I do not think we are going to get into, possibly, the purchase of automobiles or salt on highways or something like that. But where all or a great number of departments are using these things, we will be the central purchasing agency. We cannot be too definite. We have certain guidelines that we are working toward, but we have not had enough experience in it yet to give complete details on just how this is going to work.

I am sure a year from now we will be much better acquainted where we can get the most advantages out of it.

Mr. Spence: Is it being set up at the present time?

Hon. Mr. Connell: Yes.

Mr. Spence: And it will be in operation in a year?

Hon. Mr. Connell: Well, it is partly in operation now, but it will be much more effective a year from now, than it is today.

Mr. Chairman: Vote 1803 agreed to.

On vote 1804:

Mr. Deacon: Mr. Chairman, in connection with building maintenance and housekeeping, could the Minister tell us if this includes renovations, the amount he is doing to put this building in order?

Hon. Mr. Connell: Yes, it includes renovations to government buildings that we own, but not necessarily leased premises.

Mr. Deacon: Mr. Chairman, in view of the fact that we have been sitting in the Legislature in the summer months, would it be possible to do something about the air conditioning, and include that in this item?

Hon. Mr. Connell: Well, it is always possible to do something about it and we are studying it and coming up with certain figures. But we have not provided for it in this year's budget.

Mr. Deacon: I did not catch the last bit, Mr. Chairman, the last statement of the Minister.

Hon. Mr. Connell: We have not provided for it in this year's budget.

Mr. Deacon: But there are plans going forward?

Hon. Mr. Connell: We are just to the extent or finding out the cost of it and I understand that, for the members' information, that we could have an air changer which would be somewhat of an improvement on what we have now that would cost in the neighbourhood of $65,000 to $70,000. But if we were thinking in terms of air conditioning this whole building, we would estimate it at $2 million and it could conceivably be considerably more.

An hon. member: Better to shorten the session.

Mr. B. Newman: Mr. Chairman, may I ask the Minister if, in his plans, he has included gymnasium facilities, health facilities for members so that after having sat in here for "X" number of hours we could possibly get into some room where we could have a duplicate Vic Tanny set up?

Hon. Mr. Connell: It is being considered here. I would not necessarily say in this

building, but we have thoughts along that line, although it is not in the budget.

Mr. MacDonald: Mr. Chairman, there are two points. I am aware of the difficulties that the Minister—or perhaps more particularly his deputy—has in coping with all of the pressures within this building. I know that you have a long-term programme and that, as the Minister indicated earlier, with a department moving out there will be some greater flexibility.

I have just one plea as far as our group is concerned. We appreciate the progress that has been made but I think both other parties have a caucus room. We do not. This year we have attempted to operate through one of the committee rooms. This is a very difficult procedure because the committee rooms are often occupied otherwise. In fact, on more than one occasion we found that when we went to book or had booked it, it had been booked twice. It is generally an unsatisfactory situation. I think that each party should have a caucus room where they can meet, on a planned or short notice basis, where they can meet delegations. I would make this specific plea—that in any changes between now and the next session, I hope a facility relatively close to where we are—I do not want one over in the East block. I know we need exercise but we have no desire to walk that far—might become available.

A second point that I would raise with the Minister. The Minister has talked of "up to 1980", in terms of reshaping this building, or did I misconstrue that in relation to—

Hon. Mr. Connell: That is our policy in the general Queen's Park area, not specifically this building.

Mr. MacDonald: Well, coming back specifically to this building and the reshaping of it, for purposes of meeting the needs of the Legislature. In other words, that would be the primary emphasis.

I know that the House committee is going to be given plans and they have talked of plans that have been drawn up with Public Works and were going to be presented to the committee or to the government. Is the Minister in a position to indicate in any more detail exactly what this involves?

Hon. Mr. Connell: Yes. The Speaker has spoken to me a number of times about this and due to the imminence of my estimates coming up for the last four weeks, this meeting with the group has been postponed, but we are ready at any moment. In fact, I think it has been suggested that either this afternoon or next week, sir, we would be glad to meet and present our plans that we have and we are quite open to suggestions from the members as to their needs. We are leaving ourselves in a very flexible position for suggestions from all sides of the House. I forget what your other question—the caucus room—we are quite conscious of that fact. I think over the years I have tried to be fair with not only our government members, but the Opposition, and certainly in the new set-up—I do not know exactly what we are going to have yet—we are going to try to look after the interests of the members on all sides of the House.

Mr. MacDonald: Mr. Chairman, I have one final point and it is in the category of trivia, but it is exasperating. Who in heaven's name, is responsible for the elevators in these buildings? I recall years ago seeing in *Reader's Digest*, back in the days before sputniks when everybody in the North American continent thought that Soviet Russia was incompetent, engineering-wise, and one of their smart quips was about somebody who visited Russia and discovered that they had printed in batches of a million or more, signs reading "Elevator Not In Operation". I am wondering if it were done here whether you would run through half of that stock by now.

Seriously, I am curious as to why, so frequently, the elevators—this one out here particularly—is not operating efficiently, or is not operating at all. Is it looked after by the company that manufactures it? Is it looked after by The Department of Public Works? Or by whom?

Hon. Mr. Connell: We do it with our staff and we hear many criticisms. I might suggest to the member that he record during the next six months every time the elevators in this building are out of operation. I would ask him to do that. We have made studies—we always have one or two of the members complaining—and it is amazing how little they are out of operation; although we hear it so often.

So I would suggest to each of the members, or particularly the member for York South, just make a note of these. We are not going to improve the service today, but I wish you would keep note of it for the next six months or—

Mr. Gisborn: How many times each day—

Hon. Mr. Connell: Well you keep it and I will be glad to check it out but I would like to be informed. I cannot stand in front of the elevator myself keeping track of it. But we hear these reports so often and I would just like you to back it up with a few facts and figures.

Mr. MacDonald: Well I am not certain that I am going to take the challenge of the Minister. I think there are other things that I shall spend my time and have my staff spend their time on rather than keeping a record of it but it is certainly the general impression around this building that the frequency with which those elevators go out of operation is far too great to be justified. I have a suspicion you got a lemon in the original purchase. However, I have drawn it to the attention of the Minister. I accept no obligation for continuing commitment. There are other things I am going to put my attention to.

Hon. Mr. Connell: We will provide you with the records of the last year. We will let you determine whether you think you are right or not. This is an old story with me. I hear it every time I step out into the halls about the elevators and yet, when you check it out either someone does not provide me with the right—

Mr. MacDonald: Perhaps we are all living—

Hon. Mr. Connell: Certainly I have not run into any difficulty with the elevators outside of the odd one every—

Mr. MacDonald: I look forward to the Minister walking down—

Hon. Mr. Connell: Well, I am telling you since I have been in the hospital I head for the stairs every time anyway, whether it is up or down.

Mr. Spence: Mr. Chairman, I would like to congratulate the Minister on the beautiful new walk that has been constructed in the park in front of this building.

I brought this to his attention the last number of years and I have not stubbed my toe since the session started, and I also wish to congratulate the Minister on the beautiful flower beds that he has replaced along the sidewalks. It adds, I think, to the beauty of this beautiful building, and he is to be commended.

I just have one little complaint. Sitting here in the Legislature since February, I notice when guests sit in the east gallery and walk down those steps on each side of the gallery they are very careful; it looks to me as if they are frightened they might fall. I would like to see the department repair them so they would walk down in confidence and I think they would look at members on that side of the House a lot more instead of watching the stairs. It would add to their visit to the Legislature.

Hon. Mr. Connell: I might suggest you have an engineer on your side there. The architects have long since given up and there is always an area of disagreement between architects and engineers, so if the engineer you have in your party will come up with his suggestion on a way to do it, we will be glad to try to improve the safety of the steps.

Mr. MacDonald: At a fee!

Hon. Mr. Connell: Well, there might be a conflict of interest there.

Mr. MacKenzie: I would like to say, Mr. Chairman, that after 1971 there is no question about this happening. But I would also like to ask, Mr. Chairman—in vote 1804 it has listed repairs $4.3 million, housekeeping maintenance, operational maintenance. I am at a loss to understand this figure. I do not know how you arrive at something like this. Does this include repairs on space you lease, space you own, is it for mechanical equipment, is it for repairing floors which have gone bad? How do you get up to $4.3 million for repairs?

Hon. Mr. Connell: Well, with 5,500 buildings, or at least 5,000 buildings, anyway, in addition to those under the administration of justice—but this is just for repairs to our own buildings; and this is across the whole province. It is a rather difficult estimate to arrive at, but we are putting much more responsibility out in the field to our district supervisors. I have not the details here as to what these are but they are estimates that have been sent in by the various divisions.

Mr. MacKenzie: Do I understand, Mr. Chairman, that under this item for repairs we have not only repairs to equipment? Do we also have alterations to buildings? The member has been asking about our own legislative building and what is going to happen here. I get the impression that this item, "repairs," includes alterations, putting up partitions and this sort of thing. Is this included

in item 4? Alterations, as well as fixing things which have broken or gone bad?

Hon. Mr Connell: Yes, alterations under $50,000 are the ones in this particular vote. The larger repair projects are listed under capital.

Mr. B. Newman: Mr. Chairman, may I ask the Minister why tenders were asked for some repairs at the Windsor teachers' college? It seemed to me kind of strange why repairs would be needed to the gymnasium when the facility was so new. Maybe the Minister can give me the answer later, Mr. Chairman, so we do not hold up the proceedings of the House. But I can recall, in my first comments in the House on the teachers' college, they were very critical of the balcony being set at an angle so that when an individual was sitting in the back row of seats, he could not see the gymnasium floor at all. Whoever designed that balcony certainly was not thinking of engineering at the time the designing was done.

Hon. Mr. Connell: I do not have that information.

Mr. B. Newman: The Minister can give it to me later.

Mr. Deacon: Mr. Chairman: I have a comment in view of the question by the member for Ottawa Centre; perhaps if the Minister had at another time, and could give us later on, comparative figures on a per-square-foot basis of what the repairs and cleaning costs and items like that are, it would have more meaning to it. Of course, we could then compare it to other building operation experience. I think the department has been doing a good job in their maintenance, but to have this down on a square-foot basis would certainly give us a basis of judgment in the matter.

Hon. Mr. Connell: We will attempt to give the member those figures. I might just add at this point that on our new projects we are showing quite an extensive saving in going to contract cleaning and this is going to be so in our new complex; in the Frost building there is contract cleaning. I think we are estimating it working out to about a 50 per cent saving in new buildings on the cleaning operations by contract cleaning rather than by own own forces.

Mr. Gisborn: Mr. Chairman, I wonder if the Minister would just briefly explain how the safety branch functions, and also how many bodies are included in the salary of $49,000.

Mr. Chairman: Is the member speaking on 1805, water control branch?

Mr. Gisborn: No, Mr. Chairman, I wanted to raise a question under 1804, safety branch.

Hon. Mr. Connell: We have eight employees in the safety branch. Is that the member's basic question?

Mr. Gisborn: Yes, and just briefly, what kind of a programme are they producing and for what part of the department are they producing the programme?

Hon. Mr. Connell: Well, it is not only our building programmes but in fire prevention, too, and we have an educational programme as far as safe driving is concerned, a construction safety programme, and the safety research and educational programme, the motor vehicle and equipment safety programme and the building safety programme, so it is basically those five areas we are operating in. I just might add in the construction end that I think we have an excellent record there. I could be corrected on these figures, but I think the national average in the construction is 61 lost manhours per million hours of work. Ours averages out at about 36, so I think we have a rather good average in our safety branch and we are concentrating more than ever on our safety work during this year.

Mr. MacKenzie: Mr. Chairman, I was just wondering, on items 3 and 4, we have in both instances, maintenance. No. 3 does not amount to very much but why this difference here? What is No. 3 for?

Hon. Mr. Connell: I am informed that in vote 1804 it is maintenance for office supplies and—was it vote 1803 the member was asking about?

Mr. MacKenzie: I wonder why it is there at all and why it does not go into item 4, but I think the Minister has answered the question already.

Hon. Mr. Connell: Yes, it is.

Mr. Chairman: It is my understanding that vote 1803 has been carried. Is there anything further on vote 1804?

Votes 1804 and 1805 agreed to.

On vote 1806:

Mr. J. E. Bullbrook (Sarnia): Thank you, Mr. Chairman. Mr. Chairman, might I first

say that my remarks in connection with this vote really are not a criticism of The Department of Public Works, but rather a comment, or perhaps a criticism of the policy attitude to the responsibility as exemplified by the Treasury board itself? I do wish the Prime Minister was here, because I was going to invite him, although he does not usually intrude to comment during the estimates of his Ministers, to make a comment in connection with the policy that I am going to elaborate upon. Now, the Minister, I am sure, has inferred what I am going to talk about.

Yesterday, early, the mayor of the city of Sarnia and a delegation, had the opportunity, and a most enjoyable one, to meet the Minister of Public Works, and Mr. Jamieson, the chief of operations, in connection with the take-over function of The Department of Public Works regarding the administration of justice. The problem that we face, and which I think faces the Minister, is perhaps a complete difference of opinion, at least mine, with that of the government. I think that it should be recorded that we commend the government most heartily in connection with the concept of relief to the municipalities with respect to the administration of justice, and that is their attempt in the future to relieve the municipalities in capital and current expenditures relative to the administration of justice.

Our problem in the city of Sarnia, really, and a problem that, I think, affects other municipalities, especially the city of Hamilton, as a result of the discussion that we had yesterday, is relative to the equity position that urban municipalities have acquired with respect to shared accommodation facilities. Now, as I understand it—and I would appreciate it if the Minister would correct me if I am wrong—let me first say, Mr. Chairman, that when the announcement was first made, I understood, perhaps, obviously wrongly, that there was going to be a reflection not only of the future benefit to the municipalities, but to the municipalities that were progressive relative to their progressive attitude in the past. This is what I understood.

I thought frankly that there were going to be complete take-overs, and that the buildings themselves in the future would be vested in the province, and that the equity positions of both the county and the cities themselves, depending on how they approached the problem of providing facilities, would be looked to.

But formulae have been established, one of which is that in connection with shared accommodation facilities—that is where you do have the administration of justice facilities combined with municipal facilities, usually county municipal facilities—that the intention of the government is to exhaust existing debenture, and to pay at a rate of one dollar per square foot to the county concerned.

Now, I do not want to get into the question of whether this is a realistic sum, or anything of that nature, but the problem as you know is that there is a statutory requirement on every municipality—or there was—to either jointly with the county or with themselves to provide these administration of justice facilities.

Now, the situation is that we bore for many years, as did the courts, the legal profession, the public and everyone else in the Sarnia area, with completely inadequate facilities. So, of their own volition, some ten years ago, they met and took that progressive attitude, and I think that the Minister would agree with me, that the results were a most attractive and utilitarian complex in that city.

Over the past eight years, they have participated jointly in the dissipation of a considerable portion of the debenture indebted, I think that it was to the tune, in our participation in the city of Sarnia, of over $700,000 so far. The equity increase, I believe, borders on the amount of $300,000.

The problem is that under statute, the passing of title is in the county. What we find in effect is this. The province must deal with the county, and there is nothing to be done about that. What we are disturbed very much about is this. The equity position of the citizens of the city of Sarnia, might not be protected in the future. This is the essence of the terminal position that I arrived at with the Minister yesterday.

The Minister could not, of course, make any commitment in connection with this, and I did not expect that he could. However, I did expect, and frankly he was most complimentary to the city of Sarnia in connection with their brief, and I felt somewhat sympathetic to the city of Sarnia, I guess generally sympathetic to urban municipalities in this position. But I do feel that he is really tremendously restricted, because it is a matter of government policy that Public Works is really the vehicle for the take-over as I understand it.

The main burden of my remarks is not towards The Department of Public Works, but

it must be through this vote. The main burden of my remarks has to reflect to the Treasury board, and that is this. We have to have some degree of understanding, or consideration, for the equity position gained by urban municipalities in these jointly owned facilities. I am sure that members on both sides of the House appreciate this, at least the urban representatives, with municipalities who have a considerable equity position.

Really, you are rationalizing when you are saying that we are going to relieve the municipalities, and we commended you on that. But if the hon. Provincial Treasurer was correct, I believe that it was on April 22, when he said that we want to be fair and equitable with respect to all municipalities, then we have to look at the fact that citizens of Sarnia, eight years ago—at least the culmination of their attitude eight years ago—provided up-to-date, beautiful, and utilitarian, and adequate facilities for the administration of justice that is now available to the province.

The people of London did not, and I use London not because of the fact that the Prime Minister represents that area, but because it has become known province-wide as a facility second to none in dilapidation and inadequacy. There is no doubt about it.

Basically the answer, and it is somewhat fair, that what you get is that the people of the city of London chose to spend their money on other capital works. They chose to put in streets, and build high schools, and other things.

But I ask you to consider this, and I ask that this record of what I say you convey to the Treasury board. Those assets continue to belong and benefit that municipality throughout. This does not apply with the equity position of urban municipalities in connection with these facilities that are being taken over. The city of Sarnia has, I think, taken a reasonable position, and I hope that the Minister would agree with that.

They said in effect, that we cannot expect you to give back every cent that we spent. We have the use of the facility. But we feel that if you debenture a matter over 20 years, you do not expect that facility to have a life expectancy of 20 years. As a matter of fact, one would hope that the facilities for the administration of justice in the city of Sarnia would have a life expectancy of 60 or 70 years.

So I put it to you that we have paid at an accelerated rate for that facility that will benefit our city, too, for years to come. But the concern centres around what the position of the government will be in connection with these shared accommodation facilities when the debentures are paid off. Then you will have these magnificent structures, such as the one in our community, fully paid for, vested in the county. What if when the government then says, "We feel that in all justice that we should now take this over, we feel frankly that we have the capital to do so." I want to digress for a moment, Mr. Chairman. I believe that when the recommendation was adopted in this connection back in September—I have said this before and I do not need to unduly burden you—there was a degree of political expediency when this was announced in September.

I believe the government really intended to take over these capital facilities and pay for them. Then they found that they had bitten off more than they could chew. But that is complete digression.

But if in 12 years when the debenture is paid off in Sarnia, if the position of the government then is, "We feel now that at the then depreciated value, we will pay the county of Lambton," the people of the city of Sarnia do not get one red cent.

We came yesterday to the Minister and to Mr. Jamieson, and as I said, had a most wonderful hearing as one always does with the Minister of Public Works. But I do feel his hands are tied.

What we basically said is that we would like to take a position that we have approximately a quarter of a million dollars in that building that we have put in through our progressive attitude and our progressive thought, and that we have not one title of equity in it because of statute. What we in Sarnia would like to be assured of is this—our people have spent their money, if there is going to be any return of capital in connection with those facilities in the future, Mr. Chairman, we would like to have the Minister of Public Works in a position to say to the people of Sarnia: "Yes, we are going to assure you that you get your *pro rata* share back."

As you know, the urban share was based on population, and we have paid more than the county people have. So this is really the burden of my remarks.

I want to attempt to extricate the Minister of Public Works, from a position that I really feel that he feels is somewhat unrealistic.

I recognize that he had mentioned to me yesterday, and as I said before, probably rightly so to a degree, the people of London

chose to do otherwise. But as I say, sir, in response to that thought, the people of London still own their own facilities, they still own their sewers and their sidewalks. The people of Sarnia, as I say, do not own anything in that building. And so I would ask the Minister of Public Works to use his good offices to assist not only the people of Sarnia but the people of other urban municipalities in this province, who really in justice, are entitled to a continuing equity position in the event that there is any capital payment in the future by the province for these facilities.

Hon. Mr. Connell: Mr. Chairman, I mentioned that we had this meeting yesterday, and went into it. I will not repeat the things that went on at the meeting. The hon. member puts it very well. But I would say basically that he might assume several things. The government was thinking back to September 1, but it was basically to take over the costs and not the facilities. I will read only one short paragraph that I think sets it out in very short terms:

> In arriving at a formula, the government has kept foremost the fundamental purpose of the programme itself, which is to shift the financial burden of administration of justice cost from the property tax revenue base of the municipalities to the more general revenue sources of the provincial government.

Mr. Bullbrook: If I might, Mr. Chairman, the last thing I want to do as a result of this debate is to create any difficulty with the department.

I suggest that was really a secondary position in connection with government policy. However, the last thing I want to do, as I say, sir, is in any way to adversely affect the position of the city of Sarnia in this connection. I speak particularly about the problem in Sarnia, and about the general problem itself. And, really, all we are wanting to do, I say, Mr. Chairman—as I think you recognize, and I am sure this would be the same position for the people in Hamilton—all we are saying, in effect, is that if the time ever comes that the province of Ontario says to the county of Wentworth, "We are now going to pay you for that capital facility and take it over," in effect it belongs to the people of the city of Hamilton and I feel their administration would want to say, "Well, we would like to have our equity participation back."

Mr. Chairman: Vote 1806, the member for Hamilton East.

Mr. Gisborn: Mr. Chairman, may I ask the Minister what is the situation in the case of the Hamilton magistrate's court? I understand they have a long-term lease with terminal powers for their facilities. Will the government now just take over that lease as is, or do they have to sign a new agreement, new lease, new rentage?

Hon. Mr. Connell: It will be the same agreement. The lease will be assigned.

Mr. B. Newman: Mr. Chairman, under this vote, the administration of justice, I would like to ask the Minister if he has given any consideration to the renting of facilities to provide a juvenile detention centre in my own community. My community, the largest community in the province of Ontaro, does not have such a facility. I know it was the responsibility of the community to provide it in years gone by. But now, with the assumption of the administration of justice by the provincial government, this type of facility is lacking and we do not necessarily ask for a new facility—something to be constructed; that might be quite elaborate; but providing the community with some type of facility so that juveniles would not have to be transported either to the city of London or to be put in the county jail.

Hon. Mr. Connell: I wonder—I understand that the Attorney General's branch has asked us to look into this and we are presently checking into the possibilities of it.

Mr. B. Newman: You are looking into it? Right, thank you.

Mr. Makarchuk (Brantford): Mr. Chairman, regarding the same particular problem: Could the Minister indicate what provisions will be made in Brantford for providing facilities for juvenile delinquents? As I understand it, you have taken over the new city hall or part of the city hall, which was built as a magistrate's court but it does not have any facilities in it for juvenile offenders.

Hon. Mr. Connell: There has been no request and so therefore we have not done anything along that line yet. But I reiterate here, as I said earlier, that we have just scratched the surface, as far as getting into the details of this administration of justice programme is concerned. We thought we could do it in two years but it is going to take considerably longer. In the meantime,

all costs have been assumed as of January 1, 1968, so it is a question of additional bookkeeping in many places. But we are getting around to these different sections, either as we can or as we are requested from the local municipality.

Vote 1806 agreed to.

On vote 1807:

Mr. Gisborn: Mr. Chairman, would this be the place to ask a question of the Minister in regard to the hon. Treasurer's decision to establish a central purchasing authority? What I want to raise with the Minister is that on page 7 of the Provincial Treasurer's statement of Wednesday, September 27, 1967, in regards to the new purchasing authority, it says: "The authority will be charged with establishment and control of rigid procedures over the letting of contracts for public forks." Now, I think this calls for an explanation by the Minister of Public Works. Is there any significance in this statement, in regards to this new purchasing authority, in regards to this department?

Mr. Chairman: Might I ask the hon. member what statement he is referring to? Who made the statement?

Mr. Gisborn: The statement was made by the hon. Treasurer of Ontario.

Mr. Chairman: It is a statement by The Treasury Department as to policy. Is the hon. Minister in any position to discuss the policy of The Treasury Department?

Hon. Mr. Connell: Well, I do not know what you mean by "significant." There have been rather complete studies of how to set up this central supply agency, certainly, I am not too familiar with the Provincial Treasurer's statement, but it certainly would not have anything to do with the letting of contracts for building a building but it might be for the calling of tenders for maybe specific equipment, this type of thing. Our concept incorporates the establishment of a central purchasing authority but rejects the idea of a fully centralized operation too, I might add.

Mr. Gisborn: Yes, I have read the whole brief. But if I were the Minister of Public Works and there was a reference to my department such as this I would immediately have made enquiries of the hon. Treasurer as to just what he meant so that I could tell somebody just what he meant by the authority's rigid controls.

Hon. Mr. Connell: I do not think it is referring to the department, as such, as Public Works, but it is referring to public works, not The Department of Public Works, but to public works of all kinds.

Mr. Gisborn: Yes, contracts for public works.

Mr. Chairman: Not necessarily through The Department of Public Works and Buildings. I would think the question should properly be directed to the Provincial Treasurer.

Votes 1807 to 1809, inclusive, agreed to.

On vote 1810:

Mr. Worton: Mr. Chairman, I would like to ask the Minister, in regard to the large contracts that have taken place in the Queen's Park complex, such as the one that is over there now, are they public tenders, or are they invitation tenders?

Hon. Mr. Connell: All tenders are public unless—some of the smaller ones are by invitation but the larger ones are open and public.

Mr. Worton: Would this be the lowest tender that was accepted over there or would it be—I am speaking of the one just across the road, sir?

Hon. Mr. Connell: Of the Queen's Park office extension?

Mr. Worton: Yes; Ellis Don.

Hon. Mr. Connell: Oh yes, that is the new one.

Mr. Worton: Would it be the lowest tender accepted there and what was the tender price?

Hon. Mr. Connell: Yes, that was the low tender—about $3 million.

Mr. Worton: Could we have the figures between the lowest and the highest?

Hon. Mr. Connell: I have not got them right now, but we can get that figure for you. It was the lowest tender.

Mr. Chairman: Vote 1810 agreed to?

The member for Hamilton East.

Mr. Gisborn: I do not know just where we are now, but under capital disbursements I raised the question asking the Minister if he would inform us what the other 20 projects

were that had been postponed. Now if they are in the capital works book under planning he could just maybe briefly tell me that is the case and give us a rundown on them. He did say we would wait until we got to capital disbursements.

Hon. Mr. Connell: I do not know whether you want me to take the time of the House to read all these in. I have the complete list here if you would like to look at the list, or do you want me to read them into the record?

Mr. Gisborn: You do whatever you wish. If you want to send the list over, all right.

Hon. Mr. Connell: Did you say to send it over?

Mr. Gisborn: Yes. That is fine.

Hon. Mr. Connell: Yes, well I will send it over to you.

Mr. Chairman: On vote 1810—the member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, I would like to refer to the piece of property owned by the provincial government in the city of Windsor on which at one time a provincial public building had been planned. Now I know that the plans have been dropped for the construction of the building and the Minister has given the reason why. Now today the economy of the community is fairly good. However, now that the site is owned by the province of Ontario would it not be good, Mr. Chairman, to have some plans made and held in abeyance and at the time the autonomy may have reverses or economic activity may slow up in the community, such a project could be implemented as a little boost to the economy of the community.

Hon. Mr. Connell: This has come up every year for ten years, I guess, Mr. Chairman. I remember the announcement of a provincial building was made back in 1954, and I have explained this many times. I would maybe reverse the procedure a bit this year. I would suggest to the hon. member from the Windsor area that he list those departments that should move into that provincial building, and we will give him the square feet requirements. We are flexible, but at this point we have nothing to indicate that a provincial building is needed on that site. It is a very desirable site, and the city of Windsor wants it retained as a park. But if you can prove to me in requests or requirements that are needed up there, we would certainly be glad to look at it.

Mr. B. Newman: Well, Mr. Minister, I am not asking you to construct the building, but I am asking you to have plans ready for the day when that building will assist the economy of the area, and at the same time will provide the public service. Now I have been provided with by your department last year, a series of offices that you do occupy in the city of Windsor today and the total rentals for them alone is a little over $50,000 a year. Now if a building constructed were to last 20 years and if you only took the rentals involved, there would be $1 million in rentals at today's rate of rentals that you would have had to have paid out for the accommodations that you are now occupying in the community. Surely, sir, that in itself would probably be one good reason why a facility may be needed in the future and my only thought is have the plans ready when things in the community are not as they could be, or are, today, and this could be an assist in overcoming potential problems in the future.

Mr. Chairman: On vote 1810—the member for Oshawa.

Mr. C. G. Pilkey (Oshawa): Mr. Chairman, I was out of the House for a few moments and maybe it was raised on another vote, but I would like to know if it is a fact that there has been some discussion on the question of air conditioning in this chamber. If there has not been I want to talk about it for a moment.

Hon. Mr. Connell: It has been discussed.

Mr. Chairman: The member for Ottawa Centre.

Mr. MacKenzie: In the capital works, Mr. Chairman, I am having some trouble in arriving at the same figures shown in the estimate as to what we have in our blue book.

I arrive, out of the estimates, at something like $52 million capital estimates; there is $47,500,000 under this vote; there is $187,000 under vote 1809; there is $2 million under vote 1808; but the capital works blue book only shows $40 million. If you add up all the figures there under 1968-69 construction; and I am wondering, Mr. Chairman, where the discrepancy is in these figures. Why does the capital works project book show everything to add up to the same amount as the estimates?

Hon. Mr. Connell: Well, there is always, as I mentioned earlier, architects' fees in there and many of the smaller projects that are not listed here in detail. I have indicated that these are the larger buildings that are listed in the blue book. There are many smaller projects that are not listed and anything under $50,000—I do not believe—is listed in here, so it is easy to arrive at a discrepancy.

Mr. MacKenzie: When you speak of under $50,000, that—as I understood it—was in another vote, where we had four and one-third million dollars. We have said that anything under $50,000 in capital works went into that and I think at the same time we discussed the air conditioning of this chamber and this building, and I could not see how it could be discussed at that point because it was over $50,000. I think you mentioned a figure something like $2 million.

The point I make, Mr. Chairman, is that in the information that we are getting here between the capital works and the estimates and the other information, there is just no way that you can pin down exactly what this department is doing in its entirety and compare it with things that you know from past experience and make an assessment on it. I think, Mr. Chairman, that there is a real moral obligation on the part of this Minister to provide us with sufficient information that we can piece together the story and make a judgment of it and certainly to make it available to the people of Ontario.

Mr. Chairman: The member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Chairman, this is a relatively small matter that I believe might come within this vote and it is the matter of the accommodations available for the guards who look after the parking facilities at the front of the building. During the course of this last winter I had occasion to come into the building a number of times when the snow was blowing and it was icy and very cold, and I wonder if under the public works it might be possible to construct a booth perhaps at each end of the parking facility in order that these people could be out of the cold. They are standing out there —it is very cold in front of this building—on many winter days, and I think it would be an excellent idea if we were to construct two sentry box-type booths perhaps, or some other type of parking booth, in order to keep them out of this chill.

Hon. Mr. Connell: Well, the member might have a slight point. Actually we would like to see those fellows out in front keep moving, and thereby keep warm and keep the traffic controlled as they should. They are able to step in on occasion. In fact, I have been able to gauge the weather pretty well what it was like outside by where the attendants happen to be; in fact we used to have a kind of standing joke between two or three of us about the weather. I do not think it would add anything to the dignity of the buildings to have a couple of these—whatever we call them—houses out in front, and I do not think the member has a good point. The members might be complaining to others, but they have not been complaining to the Minister of Public Works about the condition out there. They are provided with very protective clothing.

Mr. Deans: I do not agree with you at all. If you are interested in finding what the weather is like, put a thermometer outside. You say it does not add to the dignity of the building, but I suggest to you that in most areas where guards are on duty, they have sentry boxes, and they are there for a very good reason. The reason is so that when it is pouring rain, or when it is icy and windy, or when it is snowing heavily, they can stand inside out of the weather for a few moments every once in a while to get warm. Now I do not see why two sentry boxes located strategically at the front of this building would do anything to detract from the appearance of the place, and I do believe perhaps it would add to the appearance. They were there all last year during the centennial year, they did nothing at all to detract. I do believe that they would add to the comfort of the people that are doing the job to help them do the job very well. I am sure it would not detract in any way from the calibre of work that they are presently doing.

Hon. Mr. Connell: Well, apparently there is a difference of opinion here as to the needs. As I mentioned earlier, the cars will be taken away from the front, there will be no parking in front. I cannot name a date, but this problem will disappear to a large extent at that time.

Mr. Chairman: Anything further on vote 1810? The member for Ottawa Centre.

Mr. MacKenzie: With regard to the buildings the department does have under design, one of my colleagues mentioned about heat pumps and this sort of thing a short while back, Mr. Chairman. I am wondering if the

department has any projects under design where they are using these newer systems of electric heating for the perimeter, and where they are pumping the heat from the centre core of the building for heating the outside perimeter during the winter time. In other words, Mr. Chairman, what I am asking is: Is the department pursuing these later mechanical and electrical designs for buildings as advocated by Ontario Hydro? Are you doing some fundamental development in research there, and if so would you give us the details?

Hon. Mr. Connell: I understand in the forensic science building there is a modified type of this heat pump that you refer to being planned in that particular building. Actually, our people are basically pretty much up to date. In fact a jump ahead of some of the others.

Mr. MacKenzie: Mr. Chairman, I know of two or three buildings. In fact, Ontario Hydro have issued information on them with regard to the extent to which they have gone. I have not yet heard of any Public Works buildings which come quite up to it, although your professional men may be working on it.

I would like to recommend to the Minister that with his construction that he does have that there are many areas where he may be able to lead the way and help contribute to the knowledge of the private sector of the industry.

Votes 1810 to 1812, inclusive, agreed to.

Mr. Chairman: This completes the estimates for The Department of Public Works.

Hon. Mr. Connell: I might just, as the members have been very kind in passing these votes in such a short time, say thank you.

Hon. Mr. Dymond moves that the committee of supply rise and report progress and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that they have come to certain resolutions, and asks for leave to sit again.

Report agreed to.

Clerk of the House: The 3rd order, resuming the adjourned debate on the amendment to the motion that Mr. Speaker do now leave the chair and that the House resolve itself into the committee on ways and means.

BUDGET DEBATE
(Continued)

Mr. W. Newman (Ontario South): Mr. Speaker, getting up to speak for just a very few minutes on the Budget, I would like to point out one or two things I have noticed and observed as a junior member of this Legislature.

I would like to quote a few paragraphs from an editorial which appeared in *The Financial Post* issue of July 6, 1968. The editorial deals with the need for parliamentary reform in the federal Parliament and I would like to quote the first paragraph which reads as follows:

> Prime Minister Pierre Trudeau has good reason to put priority on the reform of House of Commons rules. In his haste to dissolve Parliament last April, he effectively scrubbed every improvement in the rules made during the past four years. The floor is now hideously open to gabble, wrangle and yap.

The editorial indicates that the improvements which have now been scrapped vastly speeded up the process of legislation. It suggests that Canada should promptly adopt some of the British parliamentary rules, either outright or in changed form. Under these rules the British Parliament is able to set up its business well in advance. The work load on the full House is decreased by delegating much of it to committees and MPs, and Ministers are freed from attending debates in the House when they are not needed.

The editorial concludes with this paragraph, and I quote:

> New measures to control the committee of the whole, which at present can carry on talkfests *ad infinitum*, are perhaps the most urgent matter. If, as Trudeau implies, future sittings are going to be limited to a number of months in the year, Parliament cannot afford to let any MP speak as long or as often as he likes.

As a newcomer to this House, I have been most surprised and disillusioned by the seemingly endless and pointless debates which have taken place in this chamber. I realize that this is the first session of a new Parliament, and that there are over 40 new members anxious to get their views on the record and their names in the newspapers. In addition, our debates may have tended to be more partisan than normal because of the leadership convention and, more recently, the federal general election. And, furthermore, the government has presented a very

heavy programme of legislation, some of which as you well know is still before us.

In spite of these special circumstances, I think most members would agree that we could have moved along much more quickly without, in any way, shirking or neglecting our responsibilities. In the words of the editorial, there has been too much gabble, wrangle and yap.

I am no authority on parliamentary procedure and because of this, I hesitate to raise this subject. Yet, I feel very strongly that one of our most urgent and important tasks is procedural reform. This reform should be designed to improve the efficiency of the Legislature and, at the same time, to reduce the length of our sessions.

I believe this can be done without prejudice to the increasingly important role which this Legislature is called upon to perform. As a first requirement, I must mention briefly the need for improved research and secretarial facilities for the private members of all parties. I commend the government for the progress which has been made in this area in the recent past, and feel certain that it will continue to receive the highest priority.

It is widely accepted, I believe, that the private member simply does not have the time, the energy or the money to get any serious research done on his own. The Progressive Conservative Party's student research assistant programme, begun this session, has been of value to several of our members. This is, however, a purely voluntary programme and is limited accordingly. If we are to effectively balance the great influence of the civil service on government policy, it seems essential to provide the private members of all parties with adequate sources of fresh and informed thinking on the issues which confront us.

I believe that most members would agree that a great deal of our time has been wasted in the lengthy question periods. Many questions have been presented to Ministers which could have been answered by letter or by telephone without taking up the time of the House. I appreciate the value of the question period and the importance of continuing this procedure. At the same time, this right has undoubtedly been abused during the present session and corrective action is required. I suggest that the most effective method of improving the situation is to place a time limit on the question period, as was done in the federal Parliament in Ottawa.

Insofar as the estimates are concerned, I would like to mention some of the methods by which the allocation of time might be more effectively controlled.

If the members of all departments are to be dealt with in committee of the whole House, then surely it is time for our parties to agree upon a time limit for the estimates of all departments, as has been done in the past in Ottawa and Westminster. Within this overall period, time could be allotted to the expenditures of the various departments in relation to the sums involved if the opposition parties desired it. On the other hand, it might be advisable to have the committee of the whole House deal only with those estimates in excess of a certain amount leaving the others to be examined by the appropriate standing committees.

Or, as I believe the leader of the official Opposition (Mr. Nixon), proposed earlier this session, a standing committee might be appointed to examine all of the estimates and to report its findings to the House in the normal manner.

I realize, Mr. Speaker, that there are advantages and disadvantages to each of these methods, and I am not competent to suggest which alternative should be adopted. I simply wish at this time to point out the need for reform of our present system. This session, for example, we spent 34 hours debating the estimates of The Department of Health involving the expenditure of approximately $400 million. We spent only 20 hours on the estimates of The Department of Education and University Affairs, which together involve expenditures in excess of $1.1 billion. I think it is also very significant that to date —that is, up until yesterday—some 49 per cent of the Legislature's time has been spent in discussing departmental estimates. This figure of course, will increase each day as we proceed along.

Agreement upon a new procedure to deal with the "business of supply" is I believe one of the most urgent requirements. I would think that both Opposition parties would welcome such an agreement, particularly the socialist party which places such great emphasis on proper planning procedures.

Finally, we might also consider eliminating the adjournment for dinner. By this measure alone, the length of our sessions could be reduced by about 20 to 25 per cent.

Mr. Speaker, in view of the intent of my remarks, I have tried to be brief and non-

partisan. The need for procedural reform is obvious, I believe, to all members and I would hope that the appropriate measures may be agreed upon and adopted by this House in the very near future, so that we will not be sitting here in the hot August days ahead.

Mr. H. Worton (Wellington South): Mr. Speaker, at the outset, may I pay tribute to you, sir, on the fair way in which you have managed the affairs of this House. It was my privilege to come into the Legislature in 1955, at the same time as you did, sir, and I think your job has been made more difficult by the numbers of Opposition which have increased over the years; but I do wish to pay tribute to the way in which you treat us all as fairly as possible.

I rise to take part in a Budget debate that has been interrupted for many weeks by other important functions of this Legislature —namely the passing into law of new measures designed to serve the people of Ontario, and the equally important examination of the estimates of the various government departments. There have also been other important democratic activities, notably the daily question period, which is continually evolving as an instrument of purposeful enquiry under your guidance, Mr. Speaker; and the votes of non-confidence which the official Opposition and the NDP have each made the occasion for useful debate.

But for the most part of the time we have been talking about money—the people's money. In the end, everything that people expect the government to do for them, or to assist them in doing for themselves, must be paid for, and taxation is the way in which the populace foots the bill. At the moment people are bitten four times; once at the municipal tax level, once at the provincial income tax level, once at the federal income tax level, and once at the retail purchasing level for most of the things they consume. In some cases, the taxes, such as the federal tax on building materials, are less visible than others, but the end result of all this taxation is that people only have a certain amount of the money they earn left to do as they like with. They have traded the freedom of disposing of part of their assets as they wish, in return for protection and services of many kinds.

This is the way of life they have chosen. Some want more services from government than others, and this sometimes shows itself in the cry of constituents that educational services are more than they, at first sight, desire. This reaction is something that may be expected to increase when education bills begin to be presented separately. This feeling that the local burden is now too great will certainly result, in the long haul at any rate, in the divorce of education costs from the local property tax base. When that happens, it will be the most recent of a long chain of events which are taking away personal relationship and local accountability, and yet as we all know, it is inevitable. We cannot stop this tide.

I am not alone—and indeed the Liberal Party is not alone—in spending many hours thinking about how, with all these rapid changes taking place, the people can still retain an effective voice in the business of government at all levels. One of the difficulties is that the contribution that people can make varies both in quality and in kind.

I think we are all agreed, Mr. Speaker, to begin with, that we have to do something about retaining the interest of those who, like the school trustees, will be needed in ever fewer numbers as direct participants in the democratic process. There will be fewer and fewer holders of office as such, and so one of the things we have to do is to give a new kind of respectability to different forms of service, which may not be so permanent, but which may be better adapted to the new conditions.

We have to take a new look at the role of the *ad hoc* group, formed in response to a particular local situation or challenge, often broadly based and involving people with different party affiliations or none. Such groups, I imagine, will form more spontaneously in the future than in the past, among those who previously were very conscious of their community role, among professional men and among specialists.

I doubt, however, whether such groupings will be lasting. Once their purposes have been achieved, they will, I think, dissolve. I do not think there is any serious danger of our getting the general equivalent of Quebec's Estates-General, which is the modern version of pre-war dictatorship's approach to government. Unfortunately, Mr. Speaker, the history of the corporate state movement is such that all its possibilities have been completely destroyed by the distortions which ruthless men have imposed on this idea.

Now, what I have in mind is a much more informal and human approach. I look back to my days as mayor of Guelph and recall the easy relationships that existed between

the people and the local administration; and today I see that more and more services are moving away from immediate local decision, to approval at a distance—welfare payments for instance—and I ask myself the simple question of how to keep local administration meaningful, so that good people will continue to find in this type of community activity something for their own personal and social satisfaction. And since office as such will be rare, I look to these new forms of organization to satisfy the laudable desire of public-spirited citizens to be of service.

Here at Queen's Park we must be ready to receive delegations and groups in such a way as to make their journey here as meaningful as possible, and I want to suggest that, cutting across party lines, we might come up with a formula or, if you like a model day, which could be varied according to a group's particular purposes and interests. The idea, however, of this master programme would be to ensure that every possible dialogue that would be meaningful would take place between interested members, interested departmental officials, members of the government (including, of course, the Minister concerned), and the visitors.

I think, too, that as a courtesy, the visitors should be escorted into the gallery when the Legislature is sitting, if only for a few minutes, and that Mr. Speaker should take it upon himself, as he does so admirably at present when we have visitors from our schools, to note the presence of the visitors, so that *Hansard* provides a permanent record of the fact that they took time out to brief us, and thereby performed a valuable democratic function. This may seem a small thing, Mr. Speaker, but it will come to be increasingly prized as a record of participation. How very many people have come into this building, have helped us and departed without record!

When I think of all the opportunities we have let slip in this regard in the past, I realize how very remiss we all have been in not confirming for posterity the fact that this or that group of people played its part.

I expect that as the centre of activity moves more and more into this building, or revolves around the remote locations that select committees, Royal commissions and enquiries of all kinds establish for their hearings, *Hansard* and minutes of proceedings and of evidence will come to be regarded as the proof of participation in democracy for an increasing number of those who would, in former times, have sought elective office at the local level. While it will take time for the adaptation, I think that in the long run, professional people and specialists will come to be satisfied with this new kind of service.

But there remains the greater problem of how to prevent public apathy among those whose present interest is only marginal, and this, Mr. Speaker, is again a problem common to all parties. I am now convinced—and it has taken me some time to come to this—that as meaningful, formal government moves away from the people in the physical sense, say to the level of the county and eventually, the region, that we have to counterbalance this trend by taking political organization to the people in ever smaller units.

I find, Mr. Speaker, that people are confused by the apparent break in the continuity of the party system below the provincial level. "Ah, yes," they say, "I understand federal and provincial parties and what they stand for, but then I am confronted with a totally new set of labels at the municipal or local level." And so my second point is that I think we are going to have to see some realignment of people and ideas, so that in fact it becomes possible to speak of a Liberal policy or a Conservative policy, or an NDP policy, for housing, for welfare, for urban growth, for pollution, that has the same consistent character right the way down from the federal level to the local level—except that when the federal people talk of "environmental pollution", the municipal people are pinning this down to a specific programme for cleaning up a certain river that people in that locality were born beside.

Wherever population density warrants it, I think that we should revitalize the ward system—and again I am talking about all parties doing this, not just the Liberal Party. I want to see town meetings, and block meetings even in the high-rise districts, taking place in the local school, with real experts and the key people, the MP and the MPP, locally elected and appointed officials face-to-face with small numbers of electors, so that a real exchange can take place. People must not feel that government is too big for them, or we are all lost. We have to set up this feedback system now, and we have to keep it going.

Ten years ago, this would have been a hard job, but today, fortunately, the hypnotic effect of television is fading away, and TV is taking its place as a potentially useful tool for information and education, even as its escape function grows less important. We

can get people to watch TV as the drama of real political activity unfolds in real time. And we can get them to break away, to do the one thing that TV cannot do, which is to work in reverse, and bring opinion and sentiments, mood and emotion, back to us, the elected representatives of the people.

Mr. Speaker, there are two other factors that we are going to have to develop. The idea of the ombudsman has got to come. I think that there will be many here who share my view that the elected member should have first chance at serving his constituents, but you and I know that, with the best will in the world he cannot do everything. He cannot correct every abuse. I see the ombudsman as a second line of defence enjoyed by the citizens against the inroads of big government—but I say this: his elected representative is, and must continue to be, his first line of defence.

What used to be known as fence-mending is now beginning to be recognized as sound strategy not only for the individual member but for the whole process of government. Fence-mending is the true antidote to remoteness, and if we all do our job here, all this talk of alienation on the part of the electors will be just that—talk without substance and fear without founadtion.

And the other factor that will hold the people against the threat of big government is local pride and civic pride and regional pride and finally provincial pride. We can relate these basic emotions one to another. We know they will be stronger the closer we come to home. But by skilful use of new chances for community participation, such as these *ad hoc* groups will afford, we can extend the pride that comes so naturally to us at the local level, until the county centre is no longer remote, but a natural outgrowth from our own firmly-rooted beginnings, and understood as such by everybody.

These coming years are going to be difficult ones. They are going to make calls upon people and there are going to be nervous stresses and strains because of the pace of change. Some people are going to be uprooted, and they are going to make a loud clamour. But change will not be halted. We all know that the larger units are coming, and we all know that none of us knows enough about the consequences upon people. It looks to me, Mr. Speaker, as though the young people will take it all in their stride. But my concern is to make sure that more mature people do not begin to withdraw their services simply because they cannot find a niche along the old lines of elective office.

Mr. Speaker, we are all entering upon these changes together, and we have only a limited number of ideas between us. That is why I want to make my Budget speech contribution a plea for understanding, mutual co-operation and a meaningful reception technique for Queen's Park—all in the interest of making democracy work better in this new age.

Mr. Speaker: The member for Victoria-Haliburton (Mr. R. G. Hodgson), moves the adjournment of the debate.

Motion agreed to.

Hon. M. B. Dymond (Minister of Health): On Monday, Mr. Speaker, we will return to the order paper to deal among other things with the consideration of the liquor control board report, and the report of the workmen's compensation board, and other matters on the order paper. Should we finish that, we will go to the Budget debate, and should we finish that, we will go to estimates.

Hon. Mr. Dymond moves the adjournment of the House.

Mr. R. Gisborn (Hamilton East): Mr. Speaker, last night when we adjourned, the House leader (Mr. Rowntree), informed us that we would be going into the Budget debate on Monday. Now, why has he changed —reverting to the order paper—these two orders?

Hon. Mr. Dymond: Mr. Speaker, it is the wish of the Prime Minister (Mr. Robarts), that the order shall be followed as I have outlined it.

Mr. B. Newman (Windsor-Walkerville): We meet at 10:00 o'clock Monday, am I right?

Mr. Speaker: That is correct.

Motion agreed to.

The House adjourned at 2:00 of the clock, p.m.

No. 147

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Monday, July 15, 1968

Morning Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JULY 15, 1968

The House met at 10:00 o'clock, a.m.

Prayers.

Mr. Speaker: Petitions.

Presenting reports.

Motions.

Introduction of bills.

THE EXECUTIVE COUNCIL ACT

Hon. J. P. Robarts (Prime Minister) moves first reading of bill intituled, An Act to amend The Executive Council Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Robarts: Mr. Speaker the Act simply changes the names of the Ministers and The Executive Council Act to conform with the changes we have made in the names of the departments.

THE LEGISLATIVE ASSEMBLY RETIREMENT ALLOWANCES ACT

Hon. C. S. MacNaughton (Provincial Treasurer) moves first reading of bill intituled, An Act to amend The Legislative Assembly Retirement Allowances Act.

Motion agreed to; first reading of the bill.

Hon. Mr. MacNaughton: Mr. Speaker, under sections 1 and 2, the period of contribution for members and Ministers to be eligable for an allowance is reduced from 10 to five years.

Under section 3 at present, only widows or persons receiving or entitled to an allowance at time of death are entitled to a widow's allowance. The amendment extends this to widows of former and present contributors under 55 not receiving an allowance and gives the widow the same elections as the member would have had.

Mr. M. Shulman (High Park): The government should do the same for the widows under The Workmen's Compensation Act.

Mr. Speaker: The Provincial Secretary has a statement.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, this would appear to be an opportune time to mention and commend a few recent and valuable contributions to the writings of Canada's history.

As all members of the House will know, Canadian history, as many of us have studied it, has revolved mainly around the concerns of the English and the French, both on this continent and on that of Europe, and neglected have been the histories of many other nationalities who migrated from their homelands to seek a better and a freer life in this land. Obviously their histories are part of our history—of Canada's history.

It should, therefore, be a source of satisfaction to all of us when scholars of other ethnic origins, equally proud of both their ancestry and of the contributions made by members of their race to the Canadian nation, choose to chronicle the histories of their people in Canada.

Three such histories newly published have just come to the attention of our department, "Slovaks in Canada", "History and Integration of Poles in Canada" and "Lithuanians Canada".

I am sure all members in the House will join with me in expressing appreciation to their authors and publishers for such important essential and permanent contribtuions to the history of our land's evolution.

"Slovaks in Canada", as its title suggests, is a comprehensive account of Slovak migrations to Canada, of the trials and successes the Slovak people have experienced here, and of their important contributions to our land.

Its author is Slovakian-born Dr. J. M. Kirschbaum, a former diplomat who has achieved great distinction in Canada as an editor, author, scholar and university professor of Slavic—Slovak studies. Its sponsor is the Canadian ethnic press association of Ontario.

The "History and Integration of Poles in Canada" stretches back to 1752 as it traces the broad spectrum of Polish particiaption in the Canadian community.

This book's author is William Boleslaus Makowski, a Polish war hero and scholar who immigrated to Canada after the second world war, received his MA from the University of Montreal and who is now engaged in teaching at Lakeport secondary school in my hometown of St. Catharines.

This thorough and highly readable history was published by the Canadian Polish congress of the Niagara peninsula.

The third historical contribution is entitled: "Lithuanians in Canada" and was co-authored by Father Gaida and a number of others—including Messrs. S. Kairys, J. Kardelis, J. Puzinas, A. Rinkunas and J. Sungails.

In describing the multitude of ways in which Lithuanians, and Canadians of Lithuanian stock, have contributed to our country's development, this book includes a host of excellent illustrations and a great number of thumb-nail sketches of prominent Lithuanian Canadians.

It is one, Mr. Speaker, in a series of similar histories being published under the general title: "Canada Ethnics." The series—the result of collaboration between the Canadian centennial commission and the Canada ethnic press federation—is designed to produce ethnic histories which are both scholarly and readable, useful to the general reader as well as to researchers.

If I have taken it upon myself to bring these publications to your attention today, it is because the portfolio I have the honour to hold encompasses citizenship. In administering it, I have become increasingly conscious—as I feel all Canadians should—of how people of diverse origins have contributed to the moulding of this splendid country, Canada.

In the warm after-glow of our centennial year, Mr. Speaker, we are all experiencing a deepening interest in Canada's past—and the varied pasts of its people of many origins.

For this reason, the histories I have described, and others like them, will undoubtedly prove of increasingly greater value to all Canadians in the years ahead.

Thanks to their authors' thoroughness and historical perspective, their writings are also a reminder that the freedom and democracy cherished here have been, and still are, denied to many other lands.

Let me quote from Dr. Kirschbaum's definitive study of the Slovaks in Canada:

> Slovaks in Canada belong to those ethnic groups which, under the leadership of the "founding races," became the building races of Canada. In proportion to their number, they contributed their share in the development of Canadian agriculture, mining industry and professional life, and during the past two decades have devoted their attention to culture, the arts, and education. They had to suffer and to fight, but they also largely used the benefits of freedom, the high standards and the economic and cultural opportunities which Canada generously offers to everyone who is willing to work hard, systematically and with a purpose in mind.

Such words, Mr. Speaker, increase our pride, I am sure, in our country and our gratitude to Canadians of Slovak and various other origins, for their contribution to it.

I would like to add that the fact that the authors of these histories have chosen to live among us, enriching our land by their academic and social achievements, is a compliment to all of us.

I am very pleased, Mr. Speaker, to have this occasion to pay tribute to these authors and to the various organizations which have sponsored or assisted in the publication of these works.

Mr. W. G. Pitman (Peterborough): May I ask the Provincial Secretary a question on that statement?

For the purpose of elucidating, I first want to associate this group with these histories. I think it gives a breadth and a depth and a dimension to our history which perhaps we have not had before. I was wondering—does the Provincial Secretary's Department pay any grants for histories of this nature?

Hon. Mr. Welch: No, there are no direct grants from this department.

The Canadian ethnic press association of Ontario was the sponsor of the Slovak book, and, as I mentioned, the Lithuanian book was supported by the centennial commission as were a number of such publications last year.

Mr. Speaker: The Minister of Trade and Development.

Hon. S. J. Randall (Minister of Trade and Development): Mr. Speaker, last week I received a question from the hon. member for Peterborough which I said I would answer, Question 781. He asked: "Could the Minister indicate how many centres originally rejected for designation of the equalization of industrial opportunity programmes have now been accepted under this programme?"

The answer is: The limited designations under the equalization of industrial opportunity programme is granted to the following municipalities: Brockville—approval for 100 jobs; Cornwall—approval for 150 jobs, and Orillia—approval for 80 jobs. In all three of these municipalities there had been a sufficient deterioration in the employment position to warrant a review of the original application.

Mr. Pitman: I would like to ask the Minister a supplementary question. Is it going to be the policy from now on to approve a community for a certain number of jobs? I do not think that was the nature of the original designation. I think it was a straight blanket designation and I notice in the Minister's reply that he mentions a certain number of jobs which the committee will be approved for.

Hon. Mr. Randall: Well, in the case of—let us use Orillia—the Moffatt company moved a plant out of there—about 45 jobs—down to Weston, and a toolmaker moved to Beaverton. They took 80 jobs out of the area, and they felt that they should have been designated. We said we would designate them and they got the 80 jobs back. They are on the borderline and, as I pointed out, when we put in the EIO programme we wanted to be as flexible as possible without departing too broadly from the concepts of the programme. We felt in some areas where it was a borderline case, we would say: "Okay, you are designated; you fill those jobs and then you are off until we look at the programme next June."

Mr. Speaker: Is there a question on this? The member for Windsor-Walkerville was on his feet earlier.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I have a question of the hon. Premier. Is the Premier prepared to direct the various Ministers who are responsible for assistance cheques in the province to send such cheques at an earlier date this month, following the example of the hon. John C. Munro, Minister of National Health and Welfare, due to the possibility of a postal strike in the near future.

Hon. Mr. Robarts: We have already sent out some cheques in advance of the date in light of the possibility of a postal strike. We have also made other arrangements to ensure that we are able to conduct the business of the province. The shortness of the time between reception of the question and right now has not permitted me to get the detail of what we have done. But I would be very happy to furnish this information to the House because we have rather an elaborate programme set up based on our experience in the last postal strike.

Mr. Speaker: The member for Sudbury.

Mr. E. W. Sopha (Sudbury): I have a question of the Provincial Secretary.

During the current strike in the brewing industry, wherein two breweries are still producing beer, would the Minister inform the House what the price is of 24 bottles sold at retail to a member of the public at Sudbury by Doran's Brewery Limited, and at Formosa by the Formosa Springs Brewery Limited?

If there is a variation in the prices aforesaid, then for what reason does it exist in a government monopoly?

Hon. Mr. Welch: Mr. Speaker, I am unable to answer the member's questions this morning. I will take it as notice and will attempt to get that information for him tomorrow.

Mr. Speaker: The member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Speaker, I have a question for the Minister of Lands and Forests.

Will the Minister extend the jurisdictional area on the ban on the use of DDT recently announced by the federal government to include all sales in Ontario?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, in reply to the question from the hon. member for Wentworth, the government of Canada has full jurisdiction over registration and sale of DDT in Canada.

I am aware of the recent ban on the use of DDT in our national parks. We in Ontario took similar action in our provincial parks as early as 1966.

Mr. Deans: Could I ask a supplemental question?

What I am interested in finding out is whether or not you have yet completed the studies that I asked about sometime earlier in the session and whether the answers to them have varified or denied the need to ban the sale and use of DDT in this province?

Mr. Speaker: Well that question appears to be quite different from the original one. If the Minister is not able to accept it, perhaps he would let the member have the information privately.

The member for Timiskaming.

Mr. D. Jackson (Timiskaming): Mr. Speaker, I have a question of the Minister of Trade and Development.

What are the department's plans for the renovations of the building purchased in Kirkland Lake for student housing? Will it be completed and ready for occupancy in time for the 1968-1969 school term?

Hon. Mr. Randall: Mr. Speaker, I will have to take that question as notice and get the information for the hon. member.

Mr. Speaker, while I am on my feet I think there was a question asked last week by the hon. member for Grey-Bruce (Mr. Sargent), about a question he placed with reference to housing for Indians.

I answered that on July 2. Your office has been asking for the information, so I just wanted to go on record as saying the question was answered on July 2.

Mr. Sopha: Mr. Speaker, on a point of order.

In the matter of the questions, I would like to address an enquiry to you since the House is now meeting at 10 o'clock. Two questions have been asked this morning which have been taken as notice. It leads one to suspect that in changing the hours of sitting of the House that the Premier and House leader did not consider this matter of dealing with questions. I put mine in as promptly after 9:00 o'clock as I could.

Mr. Speaker: Before 9:00 o'clock!

Mr. Sopha: Before 9:00 o'clock, thank you. Yes, I put it in immediately on arrival thinking it would afford an adequate opportunity for the Provincial Secretary to determine why a case of beer cost $4.72 in Sudbury and $4.46 in Formosa. Apparently it did not afford an adequate period of time.

Now in view of the early hour of sitting perhaps some accommodation could be made with regard to the questions. As a suggestion, it might be that 2:00 o'clock—

Interjections by hon. members.

Mr. Speaker: Order! Order!

Mr. Sopha: I do not know the answer to the second part.

Mr. Speaker: The member is speaking to the matter of questions and not to a particular question; and he might confine himself to that.

Mr. Sopha: I was making a suggestion before the rude interruptions by the Minister of Mines (Mr. A. F. Lawrence), that perhaps 2:00 o'clock might be—

Mr. Speaker: Perhaps if the member would deal with the question he was posing to me and not bring in a question which has been asked and dealt with, he would not be interrupted either by a member or by the Speaker.

Mr. Sopha: The Minister of Mines; and it was a rude interruption.

Hon. A. F. Lawrence (Minister of Mines): Maybe it was a rude question.

Mr. Speaker: Order! Will the member please proceed with his remarks.

Mr. Sopha: May I make that suggestion that perhaps at 2:00 o'clock—if we were to ask the questions at the opening of the House—at that time it would afford an adequate opportunity for the Ministry to ascertain the answer.

Mr. Speaker: I will be most pleased to discuss the matter with the House leader.

Hon. Mr. Robarts: Mr. Speaker, I do not think that would be a solution. The whole problem of dealing with questions I do not think is affected by the fact that we may be sitting now. We have been sitting Friday mornings at 9:30 and the Friday morning questions come even earlier than these at 10:00 o'clock.

The procedure that we have been following through the whole session is that if it is a long involved question then the Minister would ask for it to be put on the notice paper and might take some weeks or even longer to get answers. If it is something that is coming from his department or from his officials then he takes it as notice and answers it as soon as he has the information, which is the next day.

So that just because these were taken as notice today does not mean that that answer will be any later than this time tomorrow morning, because we do not want to stack

these questions up on the order paper. We would like to be able to answer all of them as soon as they are asked, but it simply is not always possible.

Therefore, I can assure the House that we will do our best to have the answers as rapidly as possible and will not cause any unnecessary delay, nor do we have any desire to withhold any of these answers unduly.

Mr. Sopha: I hope I get the answers before the strike is over.

Hon. Mr. Welch: Before the orders of the day, once again in my capacity as Registrar General, may I advise the members of the House that the records of the Registrar General will show that on July 13 last the Minister without Portfolio (Mr. Wells) and his wife Audrey became the proud parents of an infant daughter to be known as Beverley Gail Wells.

Mr. D. C. MacDonald (York South): Mr. Speaker, may I ask the Provincial Secretary whether this is a private service to Cabinet Ministers, that we can expect to be extended to all members of the Legislature?

Hon. Mr. Welch: Mr. Speaker, I would be very happy to announce any changes in the family of the member for York South.

Mr. Speaker: May I advise the members who are participants in the French classes that tonight will be the last French class for this session and it will be a test probably. The staff have asked that I request all possible to be there and they will endeavour to have you back in time for the evening session. I am informed that the instructors and staff will discuss with members the continuation of the classes and what can or should be done during the recess with respect to keeping the members fluent in French. So would those members who are taking French please do their best to turn out tonight?

Orders of the day.

THE TERRITORIAL DIVISION ACT

Hon. W. D. McKeough (Minister of Municipal Affairs) moves second reading of Bill 169, An Act to amend The Territorial Division Act.

Motion agreed to; second reading of the bill.

THE MUNICIPAL TAX ASSISTANCE ACT

Hon. Mr. McKeough moves second reading of Bill 170, An Act to amend The Municipal Tax Assistance Act.

Motion agreed to; second reading of the bill.

THE DRAINAGE ACT, 1962-1963

Hon. Mr. McKeough moves second reading of Bill 171, An Act to amend The Drainage Act, 1962-1963.

Motion agreed to; second reading of the bill.

TOWNSHIP OF RED LAKE

Hon. Mr. McKeough moves second reading of Bill 173, An Act respecting the township of Red Lake.

Motion agreed to; second reading of the bill.

TOWNSHIP OF CHARLOTTENBURGH

Hon. Mr. McKeough moves second reading of Bill 174, An Act respecting the township of Charlottenburgh.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I wonder if I might ask the Minister if these bills are the usual ones that are brought in session by session to correct actions taken by the municipalities that did not at the time conform with the requirements?

Hon. Mr. McKeough: That is correct.

Mr. E. W. Sopha (Sudbury): May I make the additional comment that the dereliction from close attendance to the regulations then is twofold; in the first place, the clerk and members of the council did not know that they had to get the approval of the municipal board and secondly, apparently they did not know the regulations regarding private bills.

So the government then has to repair two deficiencies. If that is so, then may one ask what steps the government is taking to bring to the attention of the appropriate people the necessity for compliance with the law of the land?

Hon. Mr. McKeough: Well, Mr. Speaker, they realized, I think a month or two months ago, that they would have to go by way of a private bill. We continually keep informed

to the best of our ability and the best of the ability of the local municipalities to receive such information, we continually pass on to them our concern that they do all things in a legal and correct manner, but with 900 and some odd municipalities sometimes they slip up.

Motion agreed to; second reading of the bill.

THE LEGISLATIVE ASSEMBLY ACT

Hon. R. S. Welch (Provincial Secretary) moves second reading of Bill 176, An Act to amend The Legislative Assembly Act.

Motion agreed to; second reading of the bill.

Clerk of the House: The 3rd order, resuming the adjourned debate on the motion that Mr. Speaker do now leave the Chair and the House resolve itself into committee of ways and means.

BUDGET DEBATE
(Continued)

Mr. Speaker: Is the member for Thunder Bay prepared?

Mr. J. E. Stokes (Thunder Bay): When rising to speak to the Budget debate, the first thing that I would like to mention is the lack of secondary industries in the north. I would like to relate to the House the adverse effect that the lack of industrial development is having on the population trends in the northern part of the province.

From the 1966 census covering the populations for the five-year period from 1961 to 1966, the population of Ontario increased over the five-year period by 11.6 per cent, the city of Fort William increased by 6.6 per cent, Port Arthur 6.8 per cent, Timmins .1 per cent. North Bay showed a drop of .6 per cent. They had a decrease in population of 146 over the five-year period.

Sudbury had an increase of 6 per cent, Kenora had an increase of 3.6 per cent, while Metropolitan Toronto had an increase of 16.2 per cent.

As I mentioned before, the overall increase in population in the five-year period for the province as a whole was 11.6 per cent. Hamilton was 13.8 per cent, London was 14.4 per cent, Windsor was 9.5 per cent, and Peterborough 19.1 per cent. So you can see that the population growth for the five-year period from 1961 to 1966 showed Ontario ahead by 11.6 per cent, Metro Toronto by 16.2 per cent, the widwest by 14.2 per cent, Niagara by 10.2 per cent, eastern Ontario 8.7 per cent, northwestern Ontario 3.2 per cent and Northeastern Ontario 2.1 per cent.

Now, surely this is proof that northern Ontario is lagging far behind the rest of the province when one considers that the Lakehead cities, Port Arthur and Fort William, which enjoyed the largest population increase of any centre in northern Ontario, was still over 40 per cent behind the provincial average. Their increase was less than half the growth registered in Hamilton, Toronto, London and Peterborough.

Now many of our northern towns actually had a drop in population, a trend which will continue unless this government takes immediate action.

When one takes a look at wages, a comparison of weekly wages and salaries, according to the Dominion Bureau of Statistics, show that the average weekly wage across the province was $110.08 as of March of 1968. Toronto was $111.52, Hamilton was $113.67, Peterborough was $112.90 and Windsor was $121.27—while the Lakehead was $103.06 and Timmins $100.79. The provincial average increased by 6 per cent in 1968 over 1967, while the Lakehead's increase was only 2.6 per cent.

Recently the Prime Minister (Mr. Robarts) talked about how Canada should have a billion dollar development fund which would be used to help overcome some of the basic regional inequalities which have haunted confederation since 1867. While this was typical Robarts talk instead of Robarts action, it at least underlines a crucial, important proposition. If he were to take just a small portion of that billion dollars and earmark it for a regional development programme, that would really bring growth to the north. He would be making a far more concrete contribution to the unity within his own province.

Now I do not hold with northern Ontario separatism. Self-defeating as it would be in Quebec, it would be hopelessly so up in northern Ontario. I believe our future is with Ontario—an Ontario that cares about us. I want to see the north fully integrated into the life and future of this province. I want us in the north drawing benefits from this close association, just as we have already contributed so much by way of our resources, our people and the great potential of our land. But I know that this can only be done

by assigning to regional development and particularly development in the north the very highest of priorities.

Now, I would like to quote, Mr. Speaker, and it is quite apt that I should be speaking about northern Ontario at a time when the hon. member for Fort William (Mr. Jessiman) happens to occupy the chair. I think he will be particularly interested in the quote I am going to make from the June 19 edition of the *News Chronicle*. It mentions: "New Mine Cannot Still Northwest Propaganda" and it deals with the opening of the Griffith mine.

> The official dedication of the Griffith mine of the Steel Company of Canada in the Bruce Lake area Monday was an event of real importance to north-western Ontario. The launching of a $62 million project that will employ about 350 men on a full-time basis, and carry an annual payroll of more than $2 million is an important addition to the economic sinews of this great area.
>
> The formation of a model and thriving community of from 2,500 to 4,000 persons at Ear Falls provides what could be a new stepping stone for further permanent and profitable advances into north-western Ontario's wilderness areas.
>
> In his speech at the luncheon, Premier Robarts opened by citing the case of a visitor who asked how government can possibly do anything effective about the further development of the rich natural resources of Ontario which we politicians so frequently talk about. Later on in his speech, when stressing the contribution of the operation of the new mine and pelletizing plant would make it to the area's economy, Mr. Robarts said: "At Queen's Park we are frequently told that the government is neglecting the people and the resources of northern Ontario. I am sure it was such propaganda which caused the visitor to whom I referred earlier, to question the ability of a government to participate effectively in the development of our natural resources.
>
> Since when did legitimate complaints by residents of any part of the province about slow industrial growth deserve to be labelled as propaganda? Does Premier Robarts think he has vindicated himself in the eyes of north-western Ontario because a very welcome iron mining and pelletizing operation has come into production?
>
> Of course, the Ontario government played some part in the development of this mining operation. It provided the original geological survey information which led to the staking of the property in 1953 by Lorne and Jack Dempster and Alex Mosher, who were working for an exploration company and it also provided an access road. How much less could it do?
>
> Are the people of the northern part of the province supposed to be humbly grateful because they have not beeen ignored entirely? The fundamental facts are that the millions of tons of ore have been there since the beginning of time, the government did not put them there. Hardy prospectors staked the claims and farsighted, venturesome corporation executives, using imagination and a lot of private capital, brought the project through to completion.
>
> When one is duck-hunting one goes where the ducks are; when people need huge supplies of iron ore to feed steel mills, they start looking where big iron ore deposits are indicated. The role of the government in all of this is very small indeed.
>
> The Premier's speech tended to blur the issue. The "propaganda" that has been coming from north-western Ontario has been chiefly centered around the lack of assistance to develop secondary industries in which the employment quotient is much higher than in primary area industries. If these complaints were nothing but "propaganda," why then did Mr. Robarts try to silence them with a forgivable loan plan to encourage secondary industry, and announce it at a meeting here just before last autumn's provincial election?
>
> The announcement was too little and too late. It included the whole province, except those parts that had already been recognized as designated areas by the federal government, and was belatedly unfurled after almost 800 industries had settled in areas where prior incentives had been offered. Too much cream had been scooped off to permit the forgivable loan plan to be very nourishing for north-western Ontario. It has produced almost negligible results.
>
> The Griffith mine is certainly a welcome addition to north-western Ontario's economy, but credit for it belongs mainly to providence for putting the ore there and to provide enterprise for finding it and getting it out, not the government.
>
> If Premier Robarts thinks such fine developments in the field of primary industry

are going to answer the propaganda of the people of north-western Ontario for more action to induce secondary industries to establish in north-western Ontario, then he is mistaken. The defeat of two of his Cabinet Ministers in the north at the last election should convince him of this.

Now I feel that the second century holds great promise for northern Ontario if we can unlock the treasure chest of our rich natural resources and speed industrial growth. But this will not be accomplished without an overall plan for development and positive action of government. The day of piecemeal and patchwork policies for the north-west is past. Only an integrated approach will provide the physical and economic condition for growth and the conditions of life necessary to attract and retain a growing population.

In the Legislature I have already outlined some of the policies which I think the Ontario government should make part of a package for north-western development. They include the following seven points:

Commencement of a second natural gas pipeline with an all-Canadian route through northern Ontario this summer in order to insure both northern and southern Ontario of adequate supplies of this fuel, and to insure that we retain full control over this important transportation link between western and eastern Canada.

Development of an overall transportation policy for the northwest to insure that rail, air and road services are integrated and adequate for industrial and tourist growth.

Improvement of communications so that no northern community is without telephone, radio and TV services, and to facilitate the extension of these services to more areas.

Policies for increasing the yield from our forests, and establishing more forest-based industries.

A Crown corporation to join in exploration for new mines, more processing of minerals at home and a better financial deal for mining municipalities.

Improvements in health, education and other services to provide quality of opportunity for our northern citizens.

Assistance in the development of our vast potential for recreation and tourism.

Now, when one looks at the surveys that have already been taken of the potential of the north and the problems that are inherent due to the great distances, I had occasion recently to read an article by Mr. Norman Simpson of Acres Limited and T. W. Kierans, a mining engineer, who is now with Churchill Falls Corporation. Some of the observations that he made regarding the possibilities and the potential in the north I think are well worth relating to this House.

Today we are embarking on a new age where science and technology can open up rich, but inhospitable areas and make them hospitable and productive. World populations are growing at record rates, and northern Ontario is a vast empty space crying for development. Geographically, economically, politically and militarily we are situated in the heart of world power. There are many regions in our north, each with its own characteristics and wide divergencies in climate, landscape and economic riches.

The degree of isolation between regions is much greater than in the south and is the result of great distances, the terrain, lack of access of transportation and a small, sparsely distributed population.

Most of these problems can be overcome. Economically, there is every reason for the potential of northern Ontario to be realized. The research know-how is available. When will we start to use it? We have a social and moral obligation to bring northern Ontario into productive circulation. Canada is a resource-base nation which could support many times its present population.

The very extensive part of the Canadian Shield, north and west of the Great Lakes and James Bay, is generally recognized to have similar and closely related social and economic problems, as well as resources, industrial and municipal development problems.

The co-ordination of comprehensive regional planning of this area of northern Ontario is vital to all its residents, to all of Ontario and to all of Canada.

When we realize the extent of the movement of our population towards the large urban centres in the south, it becomes apparent that there is a danger of losing our distinctive northern character and identity by assimilation with large centres of population south of the border.

Because of the scarcity of well planned urban centres across the north we have a division between eastern and western provinces which is not being bridged, as it should be, to provide a continuous and strong line of east-west development.

If we fail to decentralize our development we will only aggravate further, the problem

of land, water and air pollution in southern Ontario. We will soon begin to pay dearly for the misuse of arable land for heavy industry, transportation corridors, transmission and pipelines. We are guilty of mismanagement and acting in an irresponsible way when we fail to use the large northern areas of our province for the purpose for which they are best suited.

We must plan large urban areas in the north which are well located and suitable for industrial development in the area. They must be designed to be more attractive, functionally, economically, socially and culturally than large centres in the south. The most advanced technology must be used, and they must be designed and located in such a manner that we will make the best possible use of a permanent industrial base and regional influences.

The cost will be large, but so is the cost of our present unplanned northern development. The emergency Gold Mining Assistance Act cost Canadians over $130 million in the last 20 years. Make-work projects such as roads which do not fit into an overall plan for northern development are costly and wasteful. When these are added to the waste of human and other resources in the south, the situation is intolerable.

Now, what has this year's Budget done for the people of northern Ontario? This government has increased taxes on the average family by $125, but left corporations untouched. They have refused assistance to deserving public service agencies, and are giving $1.8 million to the horse racing industry. They did little to assist municipalities with their financial problems, but gave our cost of living another boost. They have increased licence fees on the enjoyment of our natural resources and raised our hospital and health insurance premiums. Times are changing in Ontario, and it is time that the Budget changed with them.

We in the Legislature representing northern Ontario are not here begging for a handout. We are not down here with cap in hand asking for charity. To have the north represented as an area dependent for its existence on the bounty of the south is completely erroneous, and much damage has been done by the spread of such a false view. Without the mining and forest industries and all that they mean, southern Ontario's prosperity would soon be shown to be an empty façade.

One out of every three dollars earned by Canada in foreign exchange comes from mining, and the same holds true for the forest products industry. Who supplies a goodly portion of the traffic on the St. Lawrence Seaway? The mining and forest industries.

The north has supported southern enterprise for far too long. We in northern Ontario want our share of the economic pie. What about a smelter in Timmins? A steel plant at the lakehead? Both would attract secondary industries. What about a meaningful integrated forest management policy that would utilize to a much greater extent our forest potential? What about a complete review of our transportation and communication facilities in the north? Isolation and distances are no longer valid excuses for inaction in our advanced technological age.

Comprehensive studies must be made to evaluate the potential near existing population centres such as Geraldton, Nipigon, Beardmore, and Blind River before they become ghost towns, their life line cut for want of an economic base.

I invite, once again, members of all parties representing northern ridings to join with me in working out proposals for an imaginative programme to end the years of neglect. The time for pious platitudes and empty promises has passed. Now is the time for decisive action by governments, both at Queen's Park and Ottawa, and openly I extend an invitation to all members representing ridings in northern Ontario to join with me in bringing the message down here to Queen's Park for a kind of programme that will be meaningful and helpful to the people of northern Ontario and that is an open invitation.

Mr. R. T. Potter (Quinte): Mr. Speaker, I welcome the opportunity today to speak on the Budget, and as a new member, with my perception still unblunted by exposure to House proceedings, I would like to give my impression of the performance of this Legislature for the past five months.

Also, at the risk of being considered naive and perhaps an upstart, I would like to make a few suggestions for changes that I feel are badly needed.

I believe that the present session will probably be remembered as one of the most boring and least productive sessions regarding time that this House has ever witnessed. The time allotted to discuss the estimates has been used by far too many members as a means of appealing to the local press and electorate, with a complete disregard for the actual estimates under discussion.

The conduct of one particular member of this Legislature has been an embarrassment to the whole House and what is worse, a great

impediment to the successful conclusions of the business of the House.

Sifting through the verbiage of *Hansard* we find a great deal of criticism of all government departments. By far the largest part of the criticism is unfounded, but there still remains—

Mr. P. D. Lawlor (Lakeshore) That is a matter of opinion.

Mr. M. Makarchuk (Brantford): The hon. member is not serious, is he?

Mr. Potter: If the unofficial Opposition would contain themselves for a few minutes perhaps they would let me carry on.

There still remains some of the constructive nature that I think must be carefully examined. Changes must be considered if we, as members of this Legislature, are to serve the electorate efficiently. To avoid adding to the already too many hours of speech making that we are forced to listen to, I will summarize the conclusions that I have reached during this, my first session in the House of Commons.

I think most of us will agree that a new approach should be taken to the rules and regulations of the House, and another such session of superfluous debate, particularly during the estimates, will not be allowed by the House leader.

Upon reviewing the discussions of the estimates of the departments, I would like to make several suggestions for consideration.

In The Department of Health, I would again suggest that we endeavour to provide better medical facilities in a more economical manner, and I refer to my remarks made in *Hansard* during my maiden speech, in order not to belabour the point any further this morning. I will merely say that I hope very shortly we will be considering convalescent wings to be attached to all of our active treatment hospitals. I hope that we will see better and more chronically ill facilities provided in the province. I hope that we will find, before long, that we are able to cover, under Ontario hospital services insurances, care in nursing homes and in chronically ill homes.

I believe that we must become more concerned with the training of medical personnel, and I think that we must employ every possible means to ensure an increased flow of properly trained doctors throughout the province. We have heard complaints during the debates on the estimates on the shortage of doctors in the northern part of the province. It is practically impossible to induce people to go there when work is available in other parts in the south.

Two weeks ago, I checked with the assistant dean at the University of Toronto, and he assured me that at the present time our six-year course in medicine is now broken down into two years pre-medical training and four years medicine. And for the pre-medical course this year, first year pre-medical course, they accepted 135 applicants out of 400 students that graduated from grade 13.

After they finish their two years pre-medical training, they must again apply to get into the four-year medical course. And this year they accepted 175 applicants out of 1,000 applications. So, it is perfectly obvious that we have to increase our facilities for training personnel before we are going to have enough doctors to supply the province.

With regard to The Department of Social and Family Services, again I would like to refer to my remarks at the time of the estimates. I think the department should take an entirely new look at the whole problem of assistance. I believe that we must develop a system of rehabilitation of the individual rather than offering more financial aid.

I think we can do this by developing a tremendous public works programme, and it is not hard to look around and see how this can be developed to put these people to work. In this area, I believe our government should be urging the federal government to bring their income tax legislation up to date. In other words, I would suggest to our new Prime Minister: "Let us put pragmatism into practice."

At the time the income tax was first instituted, the plan was to tax that amount of income that was not necessary to provide the basic essentials of life. And that was when the $1,000 exemption was established. I think in this day and age, it is time that the $1,000 exemption was raised to a realistic level so that people are prepared to work and provide their own facilities instead of being given a "hand-out". As far as the group of individuals who are unable to work is concerned, I think our social and family services should provide a pension which will allow them to live with a little dignity and respect.

In The Department of Transport, I feel that there should be a re-assessment of the unsatisfied judgment fund. Once again, I say, let us replace this with a compulsory auto-

mobile insurance of probably $100,000 basic coverage. By this step, we could reduce our budget by approximately $2 million; the $982,000 which is the estimated cost of running the plan, and the $1 million or so which is paid out over and above the amount collected by the participants. Also, in this department, I would hope to see a much more concerted effort to remove dangerous and mechanically unsound vehicles from the highways.

We have heard resolutions concerning the standard building code throughout the province. And after viewing recently constructed homes and apartments in various parts of the province, I believe it is self-evident that a standard building code is not only a must but is long overdue.

During the estimates, much was said about the air and water pollution problem. Here again, I believe the department cannot be too stringent in enforcing the regulations. Indeed, I believe the regulations could be tightened up. And, if we are to accomplish our goal, we must be very definite and very strictly enforce existing legislations. It is not good enough to say this to a municipality, that you will build a first-stage treatment plant which will remove 65 per cent of the sewage because you cannot afford any more.

I suggest it is just as effective to suggest that a man being shot by a hundred bullets, and missed by 65 of them, is in good condition. The results of the 35 per cent pollution of our water can be just as fatal. And, Mr. Speaker, the 35 per cent that has been left in many cases is the amount of pollution that caused our waterways to get in this condition in the first place, before the area expanded. And so I would suggest to the hon. Minister, "Let us get cracking on our pollution problem."

Lastly, there has been criticism of The Attorney General's Department and the police in general. For some years now, I have been anticipating the day when policemen will be formally trained before they are put out on a beat. I understand that plans are now being made and considered for basic training for policemen to be carried on and provided by the college of applied arts and technology. If they receive basic training at these schools, then subsequent advanced training in various specialties of police work could be carried on at the special police colleges.

These then, Mr. Speaker, are a few changes that I, as a new member of the Legislature, have felt should be given some consideration. I believe that such changes would make Ontario even a better place to stand. Thank you.

Mr. Lawlor: Mr. Speaker, may I say right off that I shall spare you, as the session has gone on some length. I feel that while I had taken some time to prepare a talk in the Budget which would be a Budget talk, in other words directly connected with the economic affairs of this province, with particular reference to the incidence and range of poverty in Ontario, I think I shall place that matter over for future usage. The poverty will not get any better while I am waiting and it will expedite matters somewhat.

I would like to make a statement or two as to the general tenure and the feeling of the House, being a new member, as we come toward the close of the session. Far from the position taken by the previous member who spoke, I feel that this has been a most fruitful and invigorating session; the give and take across the House has been of high quality; the witticism has been intense; and the amount of work we have actually accomplished has been of some considerable value. I do not think I am prejudiced, being a lawyer, by saying that I would myself consider that perhaps the most important matters that have come before us are the problems with respect to the administration of justice, the taking over of the problems of this realm and, secondly, the reformation of certain of our most fundamental courts, the family and magistrates' courts which have the greatest impact on the lives of our people.

We can look forward to goodly things in this regard; perhaps the session has been, and I do not doubt, weak in economic affairs again. But then the Tory government is always weak in economic affairs and it is rather to be expected that the adjectival phase of our endeavours is bringing forward great éclat. But in these other realms there is a great deal to be both anticipated and hoped for. "Hope lies eternal in the human breast; man never is but always to be blessed." Such is the case in the Legislature of Ontario.

However, there is the prospect of our future, too, either in the new session or within the terms of this one, the touching of the mountain of work that is being imposed upon us, which does cut a little into one's Budget speech, you know. I am talking about the hearings that are going on throughout the week in a massive way with the Smith com-

mittee and the numerous briefs that are coming before us—some of them four or five in a single day. I notice six of them coming up tomorrow, one being the International Nickel brief, which in itself could consume several days of solid argumentation, but I suppose these things must be borne.

The last thing I would like to say is that, if one is a bear for work in this Legislature, the Legislature will certainly reward that person. There is an avalanche of possibilities and the necessity to handle numerous important affairs. It is with grace and delight that I say that I have been given a considerable role. I have been delighted in doing it and I hope it continues. As our knowledge and efficiency and incisivness and way of presenting argument increases and grows — we become more at home in this assembly, and are, therefore, able to penetrate through in a better way, despite the thickness of the skulls, the possibilities, for one's own personal feelings of accomplishment in this assembly which is rather diminished by the reception that one often received by the absence of members on too great a scale, if I may say so, on the other side of the fence over there. And there was a question of—I can only construe it as indifference or ignorance with respect to our affairs. They simply do not want to know.

In any case, it serves their purpose as well, in most instances, not to be here. I said that at the beginning of this session, I say it again and have noticed it throughout. I think it is high time that something was said by the press of this province, touching this particular aspect of our affairs.

But apart from these few brief remarks, I shall save the economic portion to the next session.

Mr. Reilly moves the adjournment of the debate.

Motion agreed to.

Clerk of the House: The 15th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, THE DEPARTMENT OF THE TREASURY

Hon. C. S. MacNaughton (Provincial Treasurer): My statement this morning will be rather brief, Mr. Chairman.

On this, the second occasion on which it has been my privilege to present the estimates of The Treasury Department, I can report major progress on the reorganization designed to meet the growing challenge of maintaining simultaneous growth and stability in the economy of Ontario. These changes are reflected in the estimates before you.

I will not discuss at length Ontario's economic position, since this was done in the budget speech. However, let me refer briefly to the province's economic goals to provide perspective for the reorganization.

One of the more important targets set for the period 1967-1970 was a 5.5 per cent annual increase in our gross provincial product. Since 1963, our annual average has exceeded this target, at 5.8 per cent per annum, but the actual rate of growth has been uneven. Last year, in constant dollars, it was 3.7 per cent, reflecting a period of consolidation after too-rapid expansion.

By fostering optimum use of the province's resources, we hope to smooth out the growth rate and thereby avoid the problems of uneven development. At the same time, we want not only to maintain, but increase our annual growth beyond our original target. To do so, work must be done in a number of interrelated fields.

Hon. members will be aware of some of the important government programmes which require economic and fiscal research and planning, with the considerable statistical back-up which this activity entails. These include:

(a) The provincial economic development programme, the significance of which was stressed by the Prime Minister (Mr. Robarts) a year ago, and which involves a review of all existing programmes and policies assessed within the framework of a province-wide economic policy;

(b) The regional development programme, whose success will depend upon the extensive analysis of socio-economic trends now being pinpointed to an exhaustive degree;

(c) Federal-provincial tax sharing arrangements which require detailed research toward co-ordination of federal-provincial fiscal policy and establishment of adequate mechanism for joint priority-setting;

(d) Other important aspects of federal-provincial relations by which this government can contribute to a dynamic and contemporary federalism;

(e) The reform of our tax system involving, not only the essential restructuring of our provinvial and municipal sources of revenue, but also the integration of changes at these

levels with any reforms undertaken at the federal level, to develop equitability in the total tax burden our citizens must bear and to ensure adequate resources for each jurisdiction to meet its responsibilities.

The reorganization of Treasury Department is designed to weld together these closely related activities, thereby enabling us to apply a sophisticated approach to the development of fiscal and economic policy.

Our considerations in the federal-provincial field are becoming increasingly complex. Both the Prime Minister and I have discussed, from time to time, the critical problem of balancing taxation resources and expenditure responsibilities among our senior governments in order to achieve a viable federalism. The need for priority considerations, new revenue allocations and even re-examination of constitutional responsibilities grows more acute under the pressures of urbanization and technological advance.

A new and disturbing dimension to this problem is being raised by public discussion on the establishment of more direct lines between Ottawa and the municipalities in such critical areas as transportation and housing. There are a number of indications that the municipalities, recognizing the strictures on our provincial budget, are looking toward the federal government for financial assistance. It is clear, too, in the policies which the federal government has been proposing at recent federal-provincial meetings that Ottawa is anxious to enhance its relationship with the municipalities, notwithstanding the fact that, constitutionally, the municipalities are the creatures of the province.

This interesting twist to federal-provincial relationships, I suggest, results entirely from the deficiencies of federal-provincial tax sharing arrangements. The requirements of the municipalities can be met only by the provinces as a result of more equitable sharing of federal-provincial tax resources. The evident interest by Ottawa in dealing directly with municipalities in areas of financial assistance would indicate the ability of the federal government to channel this assistance through the provincial governments in the form of further abatement of personal and corporation income taxes. This is a position that has long been advanced by Ontario.

The temptation to jump constitutional boundaries in reaching for temporary solutions to long-term problems is understandable. Its attendant hazards, however, are costly duplications of machinery, personnel, research and other programme components, in addition to the creation of further confusion and frustration over the delineration of governmental responsibilities.

Ontario's efforts will continue to concentrate on the development of co-ordinating machinery required for a harmonious and effective federalism. Our reorganization of Treasury Department relates precisely to this objective.

The legislation which I have submitted to this House to create a Department of Treasury and Economics will enable us to concentrate our efforts on this broad and enlightened approach toward economic and social growth.

Within this proposed new department, identified in these estimates under the block heading of finance and economics, are the policy planning division, economic and statistical services division, finance division and government accounts division.

The policy planning division is comprised of five branches. Its general office provides an economic policy adviser, who is available for consultation with all economists in government and with the Ontario economic council, and who maintains close liaison with the economic council of Canada.

Main function of the taxation and fiscal policy branch is the development of mechanisms for co-ordinating and applying economic and fiscal policies. Its responsibilities include recommendations for the annual Budget statement and papers, reform of the tax system and continuing research and analysis of all aspects of intergovernmental relations bearing on Ontario's economic and fiscal capacity. In the development of co-ordinated federal-provincial fiscal policy, it has already begun the task of placing the provincial Budget in a national-accounts framework which the Smith committee recommends "to permit the economic analyses necessary for effective development of fiscal policy".

This branch will undertake the preparatory work for the government's proposed white paper on tax reform, develop Ontario's position on tax-sharing agreements and examine implications of tax structure reform at the federal level.

The economic planning branch is responsible for aggregate analysis of the Ontario economy for the Prime Minister's development programme. Its tasks include forecasting, establishing targets, identifying problem areas and analyzing major developments in significant sectors of the economy. It will have close contact with economic research in other departments and will work closely with the taxation and fiscal policy and regional development branches.

The regional development branch is moving ahead rapidly on the three-stage programme of design for development. Assisted by the 10 regional development councils and advisory boards, as well as extensive research support from our universities, it will be developing specific, detailed plans for the province and for each region in 1969. The special study of the Niagara escarpment, which the Prime Minister announced in March 1967 and for which this branch is responsible, will be completed this year.

The federal-provincial affairs secretariat provided major support during the past fiscal year for three key developments highlighting Ontario's contribution toward a second-century federalism: the confederation of tomorrow conference, the federal-provincial conference of Prime Ministers and premiers, and co-ordination of the task forces investigating implementation in Ontario of the recommendations of the first volume of the report of the Royal commission on bilingualism and biculturalism. The secretariat will be heavily involved in proposing positive suggestions for the structure and operation of Canadian federalism.

The economic and statistical services division is supplying basic economic data, statistical series, current economic indicators and analytical models to the policy planning division and to other government departments.

Its economic analysis branch will carry out quantitative analysis and provide a current economic intelligence service. It is preparing the first input-output table for the Ontario economy, as well as an econometric programme designed to formulate, estimate and test econometric models. The demographic section will assess the economic and social impact of changing factors in our human resources.

The Ontario statistical centre will continue its work of co-ordinating administrative statistics for the use of all government researchers. It is working towards a general purpose information system, consistent with the data requirements of research organizations.

The systems and programming branch has been formed to improve the flow and quality of information in the department, by analyzing, designing, and overseeing the implementation of computer-based systems.

To help implement the fiscal policy decisions, the finance division and government accounts division have been integrated into the finance and economics area.

As hon. members are aware, the finance division is responsible for supervision and administration of the public debt, the management of sinking funds and the administration of the capital aid corporations. Its finance management branch co-ordinates cash flow and supervises all investment practices.

In addition to its traditional functions, the government accounts division is now responsible for the creation of new financial management information systems within the context of programme budgeting. It has instituted a government accounting methods branch, which will supply accounting expertise, research and a training ground for accounting officers in all government departments.

An annual saving of $275,000 is anticipated from the establishment of a computer services centre which appears in these estimates for the first time. It replaces the former financial systems computing centre of The Treasury Department and the Ontario computer centre which previously was in The Department of Economics and Development. The computer services centre reports to a board of five deputy Ministers representing the five departments which share this facility.

Thus, in the finance and economics area, or what will become the new Department of Treasury and Economics, are assembled the economic and fiscal planners, the essential statistical and economic analysts on which this planning must be based, and the accounting and investment management experts who will assist in the formulation of government policies.

In my June 5 statement on the legislation proposing to create two departments out of the present Treasury Department, I outlined the concerns for both efficiency and individual rights in the administration of taxation statutes which prompted the government's decision to create a new Department of Revenue.

I do not intend to review the existing departmental structure of our revenue area, since few major changes have taken place in its organization. However, there has been further refinement and more progress on which I will touch briefly.

With the modernization of systems in revenue branches and the greater utilization of the computer, it has been possible to eliminate certain administrative procedures and transfer staff from routine duties to more productive functions. The result has been better supervision, more effective controls and improved management reporting. Even though

the volume of work has been increasing quite sharply, it has not been necessary to make comparable increases in staff.

I am pleased to report that the administrative division has added only three (staff) members to provide services to some two hundred additional people who joined Treasury with the office of the chief economist. This division also supplies administrative services to the treasury board secretariat, Ontario racing commission, pension commission and computer services centre.

The legal services branch provides advice to all components of Treasury Department, including boards and commissions reporting to the Treasurer. This requires a particular expertise, ranging, for example, from the highly technical advice needed by the revenue division to the drafting of legislation for the pension commission. The responsibilities of this branch will increase with the legislative and administrative consequences of anticipated tax reforms.

Deposits in the Ontario savings office reached an all-time high in the past year. On March 31, 1968, they were $85.5 million, an increase of $7.5 million over deposits on the same date last year. The savings office attempts to remain reasonably competitive with the chartered banks. Its rate of interest to depositors was raised to 5 per cent per annum on April 1. Premises are being renovated: Of the 21 branches, 11 have been modernized or are in process of renovation, eight are considered satisfactory for the present, and the remaining two will receive consideration when new leases are negotiated.

Mr. R. F. Nixon (Leader of the Opposition): What about the one in this building?

Hon. Mr. MacNaughton: That may be one of the eight to which I made reference.

I anticipate that the hon. members have more than a sporting interest in the vote on the Ontario racing commission. I will be pleased to provide a comprehensive statement on the proposed distribution of funds when this vote comes before the committee.

The committee is aware that the pension committee of Ontario has provided significant leadership to other jurisdictions in developing programmes similar to the one this province has pioneered. It promotes a high degree of uniformity in pension legislation and maximum co-ordination among pension authorities in other provinces. In the fourth annual report of the commission, tabled on May 8, members were informed that it has approved close to 10,000 plans covering almost 800,000 employees in Ontario.

Turning to the Treasury board secretariat, I want to report on the continuing development of programme budgeting, or the planning, programming and budgeting (PPB) system, as it is known in professional circles. This move has been under way for close to two years and, as I have indicated previously, will involve very substantial changes in administrative procedures.

The aim of programme budgeting is to provide essential support for the decision-making process which, with growing demands and restricted resources, becomes an ever-more complex but vital task. We must delegate more day-to-day decision to managers of programmes but we must ensure that Ministers and the executive council are always in control of any developing situations. As time goes on, we expect to provide the Legislature with expenditure data more closely resembling commercial cost accounting practices.

To do this, however, we have to design and establish a programme structure and a financial information system which is new to parliamentary government and unique to Ontario's needs. We cannot borrow a set of procedures from another jurisdiction even if it was available. As it is, we are among the leaders in the field. Even the federal governments in Ottawa and Washington, who started considerably before Ontario, have not by any means completed the change-over.

We are working with the federal government and our sister provinces to develop common standards and uniform terminology for appropriate intergovernmental planning and communication in this field. Indeed at a recent meeting of the federal-provincial continuing committee on fiscal and economic matters, Ontario was invited to chair a subcommittee on programme budgeting for this purpose. Similarly, one of our officials is presently on leave of absence to work on programme budgeting for an agency of the United Nations in Geneva.

Establishment of a programme review branch in the programme and estimates division of the secretariat is associated with the development of programme budgeting. Intially, it will design and co-ordinate the many facets of management orientation and administrative procedures. An orientation seminar for senior officers was held June 7 and 8. We have now started a systematic training programme of key personnel and we

expect that next year some modest change will be evident in the format of the estimates presented to this House.

The system will provide all departments with better tools to review and re-evaluate periodically their complete programme against their basic objectives. Cost-benefit studies of alternative courses of action can be submitted for examination by Treasury board. It will be the ongoing responsibility of the programme review branch to guide departments in the techniques of cost-benefit studies and to review submissions for Treasury board. During these reviews we expect to deal with the more fundamental aspects of programmes and their constituent activities.

While the PPB system is perhaps the most dramatic undertaking of the government in the area of management improvement, it is by no means the only one. The estimates provide for establishment of a management science branch in the advisory services division, which will make available to all government areas the valuable tools of operations research. This embodies the use of mathematical and scientific methods to assist management decision-making. Because specialists with skills and experience in this field are scarce, there is good reason for providing a central service upon which all departments may draw.

The other units or branches in the Treasury board secretariat continue to provide improved service both to the board and to departments and agencies. The organization and methods services branch has completed 85 major studies since its inception in 1961, and the ADP standards branch has completed 16 data processiing feasibility studies since its establishment in late 1965. More important, however, is the service-wide co-ordination of data processing which this latter branch provides to inhibit proliferation of ineffective and uneconomic computer installations and to promote use of shared facilities. The government now has five functionally-oriented computer centres, each of which services a number of departments or agencies.

The staff relations branch, which represents the government in negotiations, grievance procedures and other relations with employee associations, will expand to a staff of six including secretarial personnel. The workload of this branch has grown considerably as a result of increased collective bargaining activities within the public service, as well as outside the public service but in areas in which the government must ensure a co-ordinated approach.

As you know, Mr. Chairman, the Treasury board supervises and reviews all matters involving finance and administration for the executive council. It is served by a secretariat which is organizationally independent of all other departments, placing it in a position to advise the board with objectivity and to serve the operating departments with impartiality. With the growing size of our budgets and the increasing scope of government services, this task becomes increasingly complex. The estimates of the secretariat reflect the government's determination to meet the challenge. We are intensifying our efforts to co-ordinate all departmental programmes and to provide modern management concepts and techniques throughout the public service.

During the 1967-68 year, Treasury board met 82 times and I want to express my appreciation to the members who served during this period. These include my illustrious predecessor, the hon. member for Haldimand-Norfolk (Mr. Allan), the hon. Attorney General and Minister of Justice (Mr. Wishart), the hon. Minister of Municipal Affairs (Mr. McKeough) and the former Minister of Municipal Affairs. The present membership of the board consists of the hon. Ministers of Financial and Commercial Affairs (Mr. Rowntree), Transport (Mr. Haskett), Tourism and Information (Mr. Auld), Energy and Resources Management (Mr. Simonett), Provincial Secretary and Minister of Citizenship (Mr. Welch) and the hon. Minister without Portfolio (Mr. Guindon).

Finally, Mr. Chairman, let me deal with the gross ordinary expenditure for 1968-69, which is forecast at $281 million. This consists of $49 million in departmental expenses and $232 million for expenditure related to public debt. This is an increase of $52 million over last year's estimate, of which $11 million is for departmental expenses and $41 million for public debt expenditure.

The departmental expenses figure, I know the hon. members are aware, includes expenditures made on behalf of the government as a whole. These are contributions to the public service superannuation fund, the legislative assembly retirement allowances account, the Canada pension plan and the employee group insurance plan, which amount to approximately $20 million. This leaves a figure of $29 million in the gross ordinary expenditure actually incurred in the operation of Treasury department.

In dealing with these estimates, Mr. Chairman, may I ask the indulgence of yourself

and the hon. members in making one change in the sequence to avoid delay and inconvenience. I would be grateful if vote 2311, on the computer services centre, and any discussion on capital disbursements could be considered after vote 2306 and before we move into vote 2307 on the estimates for general administration of revenue.

Mr. Nixon: Mr. Chairman, the estimates of The Treasury Department of course, are perhaps as important as any that will be before us. The Provincial Treasurer, in his capacity in this department and associated with the Treasury board, has I would say, an expanding role of responsibility in influencing the policy of the government and the way in which our public funds are spent in these programmes.

Naturally, we have provided excellent facilities for him to carry on his work. The Frost building is one of the finest I would say, that has been built in the new complex. I have been interested to talk to some experts in this field and there are a variety of opinions, but it seems to me it is a very fine addition to the Queen's Park building complex. As a matter of fact, I have been waiting for the government to officially open it and have the former Premier down to preside.

He is, of course, very much in evidence these days and many of –

Hon. J. P. Robarts (Prime Minister): We did that.

Mr. Nixon: Did you have an opening? You did not ask us. Well, well, that is fine. I am glad to know that everything over there is even that official.

Mr. E. W. Sopha (Sudbury): Well they have their own checking order.

Mr. Nixon: Oh yes, that is right. We may have to open it again when we change its name, but there are three or four specific items that I would like to draw to your attention, Mr. Chairman, before we deal with the votes specifically. Obviously the first one has to do with some of the recommendations made by the Royal commission on taxation. They were somewhat critical of the Minister's attempts to put before the Legislature and the people of Ontario, a proper, meaningful accounting of our fiscal business.

There are, as we all know, three main publications in which these matters are dealt with. The public accounts, which is put before us in a fairly large volume, is at least 18 months out of date when we consider it. Dealing with this one first–I wish I had the quote before me, unfortunately I do not just at this moment. The Royal commission said that they were quite surprised that, even though the volume was large, it did not contain the information that one would ordinarily expect. It did not contain the accounts of the government as a whole and the various agencies for which the government is solely responsible as far as their fiscal transactions are concerned. Included in this would be the hospital services commission, the Hydro commission and some others.

Obviously, if we were to undertake the accounting procedures recommended by the Royal commission, we would not have one volume of public accounts, but probably three. Nevertheless, the recommendation they make is that all of these accounts be brought together in an orderly fashion, probably indexed a little differently than they are so that people who are interested in these matters and somewhat expert–it is not designed, of course, to be used by the man in the street to examine the affairs of government, although it should be available to him–that we could improve on this considerably.

But the public accounts is the most useful volume we have. There are two other sources of information–the second one being the budget of the Minister, which is debated under another order of business. I have already discussed it in this House.

The third is the statement that is made under the direction of the Provincial Treasurer late in the fall which contained the information that he and his department had at that time as to the accounts in the previous fiscal year ending the March before the statement. Now, as I understand it, this method of making available to the Legislature and the people of Ontario the accounts of the province has remained remarkably unchanged for many years.

I admire the Treasurer's attempts to improve these estimates and I will deal with them a bit later. But in these estimates there have been sums over the past year amounting, I suppose, to something in excess of $10 million for improving the machinery that we use to keep our accounts. I refer specifically to the computers and the experts who use them in the business of government.

It would seem to me that if these computers are going to be put at the service of the Legislature and the people, that we could now move away from these three standard sources of fiscal information to a more up-to-date accounting of our business in the province. It might even be a monthly balance

based on the budget that is brought down as it has been for time immemorial. In this way, we as members of the Legislature and anyone else in business or in other jurisdictions, would be able to see the state of our cash flow. We would be able to see how the policy of this government tends to increase public spending at certain periods in the year and cut it off at other periods in an effort to exert as useful a pressure as possible on the economy.

I would say very definitely that while the computer is obviously a tool that we must use in this province and are using to a greater and greater degree, it has so far not been put to the use of the Legislature in keeping us informed as to the state of the business for which the Provincial Treasurer is responsible.

Well, the Royal commission then said that it was remarkable that our accounts were so incomplete and, further, that it was relatively difficult to turn up information that they felt they needed in order to make the assessment they had been asked to perform by this House and by the order-in-council that constituted the investigation. I should not attempt to directly quote from the report of the commissioners, but they even felt to a certain degree that accounts were misleading, particularly in the way they deal with ordinary and capital expenditures.

The Minister knows that the recommendation would lead the Provincial Treasurer to move away from this sort of division in our accounts, and they have a very cogent argument indeed for putting all of the business of the government on the same footing and dealing with it on a national accounts basis.

I was very glad to hear the Provincial Treasurer indicate that we are moving in that direction and it would make much more realistic the budget that is presented to this House year by year.

I know that the Provincial Treasurer would have read very carefully the recommendations associated with the accounting procedures of the province. I wanted to begin my remarks with these because I have always felt considerably mystified myself even in going over the simplified presentation that the Minister brings out in the fall of the year. There are a number of pages there that I have always intended to sit down with the Provincial Treasurer and get his explanation, perhaps with some assistance from his advisors, because there seem to be relatively small items that appear in that book which are difficult to justify without having some professional background by way of assistance.

Now, the second point that I want to bring to your attention, Mr. Chairman, is the fact that the committee on confederation—and particularly the federal-provincial fiscal matters—still resides under the jurisdiction of the Provincial Treasurer. I feel quite strongly that, while a good many of the experts in this committee might very well be employed by the Provincial Treasurer, these committees should come under the direct jurisdiction of the Premier.

The policies that arise from their investigations are certainly of the highest importance and the Provincial Treasurer, of course, dwelt on the most important one of these very briefly this morning. And he stated again, as he and his colleague, the Premier, have stated on so many previous occasions, that the government of Canada must move to provide a larger share of the personal income tax for the provinces. Now, I would point out to the Provincial Treasurer that this is hardly good enough any more, that he is, of course, going to take a position as publicly as possible and with as much huffing and puffing as possible, to frighten the government of Canada into at least coming a bit closer to meeting the demands that the leaders of this government recognize as far as our fiscal requirements are concerned.

And yet he followed the recent election campaign as carefully, I am sure, as I did and I hope he was impressed with the attitude taken by the government of Canada that reflected, in some small measure, a statement made by the Premier of Ontario at one of the conferences this year, that tremendous pressures were needed to develop true equality of economic opportunity in Canada. The Premier made mention of a fund of a billion dollars that he felt should be made available for this very purpose, particularly as it might reflect in the development of the Maritime provinces. It was never clear where the Premier felt this money should come from, but knowing him as I do, I would expect he would think that it would come from the federal Treasury.

And yet his attitude is a good one and is reflected, in my view, by the statements made by the Prime Minister of Canada during the recent campaign. And I hope we will not think that Trudeau's statements having to do with economic equality of opportunity were election window-dressing, because I believe that these economic equality procedures are going to be put into effect in the next three years and it will mean that we, in Ontario, will be paying the largest share of the cash required.

It is very difficult to balance this altruistic attitude stated by the Premier in the February conference with reference to the billion-dollar fund—at least his idea was stated there, the billion dollars was stated some weeks afterwards in an informal press conference, I believe, in this building—it is very difficult to balance that attitude with the continuing pressure that is exerted by this government for a larger share of federal revenues.

I think the two are mutually exclusive and that we here have a tremendous responsibility as citizens of Canada not to lead our citizens in Ontario into a feeling that we are being milked in order to improve the situation elsewhere in our nation. If the government of Canada is going to carry on these programmes, and in my view they are going to be accelerated rather than slowed down, then the heaviest responsibility as taxpayers is going to rest right here on the economy and the citizens of Ontario to meet these requirements.

In my view, Ontario is prepared to accept these responsibilities. How will this affect us when we approach the government of Canada in the round of fiscal negotiations which are going to be needed this year? I have heard rumours that the negotiations may have to be postponed. But, Mr. Chairman, you are aware that the present fiscal agreement runs out at the end of this year and it will be necessary for the Premier and his advisors from Ontario to meet with his colleagues from the other provinces around the table in Ottawa to negotiate a new agreement. And how he and his advisors can, on the one hand piously hope for a federal fund in excess of a billion dollars in order to accomplish economic equality of opportunity, and at the same time exert all of the pressure—and it is tremendous pressure he has at his disposal—to have a bigger share for Ontario, remains a mystery to me.

So I would think that before this House rises, there should be a statement by the Premier—although it could come from the Provincial Treasurer—that is much more meaningful than the repetition of what we have heard this morning, that once again Ontario must have a bigger share of the federal income. It is essential, in my view, that we know exactly what is going to be our position at the bargaining table in Ottawa, whether we are going to fight tooth and nail for more money for Ontario without raising our own taxes or, in fact, we are going to support the programme that has been stated by the government of Canada, upon which the Liberal Party was elected, to continue its responsibilities in that jurisdiction.

There has to be a rationalization of a provincial approach in this so that our own people will understand it, and so that in fact we can take a meaningful role, and not an obstructionist's role in the negotiations that must come about within the next few months.

Well, Mr. Chairman, there are just one or two other things I want to say about this matter.

At the present time, by agreement, we get 28 percentage points abatement from the federal jurisdiction in payment, I suppose, or in rent payment, for our own rights to the personal income tax field. We know the history of this agreement. It is not necessary for me to say anything more about it other than to emphasize again that we, of course, in this House have the responsibility to deal with legislation that will change that percentage rate unilaterally on our own if the government decides to do so.

The province of Quebec has already taken this difficult course in order to finance their own requirements. It is hoped that Ontario need not do this, but everybody in this House knows about our expanding requirements. We have heard speeches from all sides calling for new programmes and expanded programmes that are going to cost money. These must be balanced with our responsibilities as Canadian citizens which, in my view, come ahead of our responsibilities as citizens of Ontario.

It is essential that we take a meaningful role in the programmes that the government of Canada put forward in the equality of opportunity programme.

Now this is not to say that there are not areas in our own province that need the assistance of the government of Ontario in providing equality of economic opportunity. The Minister of Trade and Development (Mr. Randall) was discussing this morning in an answer to a question, those communities which have not yet been able to come under his EIO, equalization of industrial opportunity, programme. The responsibility within the borders of this province lies with this administration. We have a programme announced during the recent election campaign—a programme that can be expanded to meet our own needs, but as the richest province in Canada, we must realize what responsibilities we have under national citizenship as well.

Now there is a third point that I want to raise that is associated with some of the complaints, I suppose put forward by the Royal commission, and that is that in our public

accounts, our dealings with the government of Canada are not made clear. The Provincial Treasurer has indicated that this book of estimates is based on gross expenditures. So if federal funds are sent to the government of Ontario for use in paying these bills, they are included in this estimate, and therefore subject to the vote of the Legislature. I have no objection to that. As a matter of fact, I think it is a good thing. In other words if the programme is one that we are responsible for here, even though the government of Canada pays a share of its cost, then we should still have the right to vote these funds in order that there be some unification in control.

But if that is so, then in each one of these votes it is surely reasonable, for the information of all concerned, that the funds available from the federal level be specifically set out here, so that we know in the estimates that we are expected to vote them. They are sums which do not come from our own Treasury except indirectly. They are transfer payments, and there is not sufficient knowledge of the involvement of the government of Canada in our provincial responsibilities.

Mr. Sopha: In the same way as the government requires municipalities to show provincial funds.

Mr. Nixon: Yes, that is right. There is something to be said for credit being given where it is due, but I believe that is a small point. You know when we get our tax bills municipally the government of Ontario requires a statement to be made as to how much these taxes are reduced by direct provincial grants.

That is a part of the problem and a part of the concern that I feel for the statement of these facts in our own estimates. But beyond that, if we are going to have any reasonable understanding of the sharing of responsibility, particularly the cost responsibility, then these figures should appear here. The Royal commission indicated that the funds that are made available for hospitalization do not appear on any provincial accounts except the accounts of the OHSC itself, which are not generally available. These payments should appear in our own account book, whether the public accounts or the estimates; I feel in both places.

Mr. Chairman, the fourth point that I would like to mention in my remarks on these estimates has to do with the capital aid corporations.

The Royal commission was somewhat critical—as a matter of fact mystified—as to why the government should have taken this means to, in fact, make grants to universities, and to other sources of the systems. I suppose the municipalities and school boards would be included, but they are not critical in any way as to saying that it is not workable, or that it does not show the figures that are involved, but the indications are that it is a remarkably complex means of making these grants available.

I believe myself that the capital aid corporation method is tied up with the accounting that is necessary to make use of our share of Canada pension plan premiums. This is another matter that has never been made abundantly, or carefully, clear by the Provincial Treasurer. It was only in response to my questions that it was indicated what our share of these premiums would be as they come back from the federal office associated with the Canada pension plan, and are made available to Ontario for reinvestment.

Naturally the Provincial Treasurer answered my questions when they were asked, but it is not clear just why these funds, which are channelled often through the capital aid corporations, have to be accounted for in this specific way. I believe it is cumbersome. I believe it tends to obscure the source of the funds. There is nothing purposeful in this on the part of the government, other than we have not moved fast enough to come into the computer age of accounting. When we have machines that can give us instantaneous balances on most of these accounts it is no longer necessary to wait a year and a half to find a specific position that we are, as taxpayers in the province, enjoying or subject to as we find we move into increasing areas of public debt.

I believe that there is much needed reform which could bring us up to date and into the 20th century—into the computer era—as far as information is concerned. We eventually have an opportunity to examine the accounts carefully, but by then they really are very much ancient history. I think that if we are going to be considered, as we should be under this particular vote, as directors in a three-billion-dollar corporation, then we should be in a position to have more up-to-date and more precise and clearer information that has been available in the past.

The last point I wanted to make, Mr. Chairman, is one that I put forward in my budget

comments earlier in this session, and therefore I will make it very brief.

The last objective review we have had of the business procedures of the province was undertaken, under Walter Gordon's chairmanship I believe, reporting in 1958. It has been 10 years now, during which time we have not had an objective assessment of the efficiency and business procedures of the government of Ontario.

Now I would put to you, Mr. Chairman, that it is time for another such assessment. The Provincial Treasurer spends much of his effort in assuring us that we are up to date and in fact leading the federal jurisdiction of Canada and the United States in moving towards better methods of accounting. It is my position that we are still sadly behind what could be done in a relatively smaller jurisdiction of this type. We have got to move away from the division of ordinary and capital statements. Surely a new approach in this can give us the information that we should have if we are going to accept our responsibilities as legislators and even as taxpayers and citizens of Ontario.

So I would say to you, Mr. Chairman, that since we have had ten years since the last objective assessment of the business procedures of the government—it is time for another one. A procedure, or a commission if you wish, which would examine it very carefully. It could make some recommendations on accounting and so on, but these of course would be some of the less important responsibilities that they would have. These matters are of continuing concern. We have had a Royal commission giving us expert advice on reforming our tax system. We are in a position now where we must approach the government of Canada and they must approach us in developing a new agreement which I hope will take us through the next five years; we are at a turning point in our accounting and our fiscal practices, and this is the time when we should have available the expert advice that this government seems fearful to ask for. The information is there; I would say that the attitude that has been expressed by the Provincial Treasurer and some of his other colleagues on the Treasury benches, "to trust us," is not acceptable any longer. We feel that you are falling behind in methods of accounting; we feel that you are obscuring the fiscal relationships among the three levels of government, and in this way I think we can, in this Legislature, do much to clarify the situation.

Mr. Chairman, I would say that my colleague from Kitchener (Mr. Breithaupt) will be commenting on some of these matters during the course of the estimates; I feel that in my closing remarks, I should deal with one matter specifically, although it will be dealt with again in the votes—I refer to the racing commission. We in this House have passed legislation just a few weeks ago, which has changed the situation in this province and it has been brought to our attention, by the hon. member for Niagara Falls (Mr. Bukator), who opposed the legislation, that Sunday racing would improve the financial situation, as far as thoroughbred racing is concerned at least. I believe that it will have improved financial situation across the board, and yet in the estimates that the Provincial Treasurer is presenting to us today there is an increased sum for the support of the breed organizations.

I come from a part of the country where a good many farmers take part in the development of this sort of livestock, particularly the standard bred livestock. And, in the past, I have always risen in my place to say that particularly for standard breeding that there is a place for government subsidies to improve the breed and to improve the situation here. I have now come to the conclusion that with the changes that have come about in legislation that the government of Ontario should get out of the business of subsidizing the horse-racing efforts in the province. When we come to the vote, we will have an appropriate amendment. An amendment of this type has been before the House in years gone by.

But I would say that here is one specific area where government policy has not kept up with the times; there seems to be an effort to move as quickly as they can to stay in the same place; there seems to be a knuckling under to pressures that have been exerted on the government from those who are deeply involved in the business. Now I am involved with many of the small breeders of race horses, both standard bred and thoroughbred; I believe that there are other means whereby the government can provide assistance to these people without providing the large outflow of public funds that is asked for in these estimates.

Mr. D. C. MacDonald (York South): Mr. Chairman, the hon. member for Riverdale (Mr. J. Renwick) had remarks prepared for some two or three weeks for the lead-off of the Provincial Treasury estimates. Before we moved into morning sessions, he had another commitment for this morning; we were assured last week that this day would be devoted to the Budget debate and on Friday the government threw in LCBO and the

workmen's compensation board, so that the day was going to be full. For that reason, the hon. member for Riverdale did not change his morning commitment; he will be here this afternoon.

Mr. Chairman, I am not going "to scream from the rooftops," but I protest in the strongest possible terms this disorderly handling of the business of the province. If it suits the government—

Mr. Nixon: Mr. Chairman, I would like to rise on a point of order. In an effort to contribute to the point that the hon. member for York South has just made, I considered beginning my remarks in the same way, as precisely the same thing applies to us. And yet, in inquiring very carefully, I was told that the hon. Minister of Health (Mr. Dymond), who moved the adjournment on Friday, included in his omnibus of predictions for today, that we would be dealing with estimates.

I have some objection to the ordering of the business of the House myself, and yet I believe it is our responsibility, in Opposition, to be prepared, particularly as we come down to the last few days, or perhaps the last two weeks of our business, to deal with the matters that are available for discussion. In my view, we must make every effort to have our people here, or to have substitutions so that I wanted to comment on what the member for York South has said, and I do not want to criticize him in any way, but I would say that I would join with him in saying that for these last few days we would appreciate it on this side, if we could know specifically the orders of business that are available to us. But we are prepared to continue with any order that the government brings forward.

Mr. MacDonald: Mr. Chairman, with respect, that was not a point of order—that was an interruption in violation of the rules of the House. If the hon. member wanted to say that, let him say it in his time and not pre-empt my time on the floor of the House when he feels that he has not covered the point.

Mr. Sopha: He filled in, he made a very able speech.

Mr. MacDonald: Now, Mr. Chairman, the point I want to make is that I think that the proposition of moving into morning, afternoon and evening sessions in the concluding weeks of the session is, at best, a poor way to deal with the business of the House. But it becomes an impossible way if the government decides that we are going to deal with LCBO and workmen's compensation board first, and then, for its own good reasons, it decides not to do that, and does not tell us until the decision is made and announced here. We would have had our spokesman for the estimates here; he would have been here today if there had been any indication that these estimates were going to be given top priority.

The fact of the matter, I repeat, is top priority was given LCBO and the workmen's compensation board and, secondly, Budget. We went into Budget, and because so many Budget speakers were not here, we washed out the Budget debate after we had some two people from this group. So, it is not that we are not here; we are here, but it just happens that other people are not in the House. Well, Mr. Chairman, I leave the matter there, but I protest this disorderly and inadequate way of dealing with the business of the House in this mad scramble towards the end of the session.

Hon. Mr. Robarts: Perhaps I should speak to a point of order if that is what it is.

Mr. MacDonald: It is not a point of order. I am speaking.

Hon. Mr. Robarts: I will raise the point of order as the comments have been made on the conduct of the business of the House. I called and I was prepared to call the workmen's compensation and the liquor report debates some considerable time ago, but there were objections then at it being dealt with at that time.

Mr. MacDonald: That is irrelevant. They were called for today.

Hon. Mr. Robarts: It is not the least bit irrelevant.

Mr. Nixon: Oh, it is!

Mr. MacDonald: It was scheduled for today.

Hon. Mr. Robarts: And I would not be at all surprised if they would not be called before this day is over. But certainly, I was told there were 20 or 30 Budget debaters waiting and I thought we would probably spend the whole day on that. I wanted to clean up those first things on the order paper and I asked the Minister of Health to put before the House on Friday, the order of business as it was. Perhaps he mentioned the workmen's compensation and liquor reports because they happened to be first on the order paper. But that is not the list in which the order of business appears on the order paper.

They appear even before second readings, or before committee of the whole House, or before committee of supply. But, the House has known that these estimates were going to follow the estimates of The Department of Public Works, that has been known for at least a month, and I would suggest to you that once the estimates of The Department of Public Works are complete, you must expect to go on at any time.

I cannot give you a fixed date, at two o'clock next Thursday afternoon or anything like that. When the estimates of Public Works wound up on Friday, in my humble opinion it would be completely natural for you to expect these estimates to be called next because these listings were given to the House weeks ago.

Having said that, I would only say the real problem the government gets into is trying to accommodate everyone in the conduct of the business of the House. The easy way would be just to draw up a list and say, "This is it." You are here or you are not here, this is what we are going to do. But there is some attempt made to accommodate ourselves to those who are not here or who will be here. Perhaps this is the error we should correct in ordering the business from this side of the House.

Mr. MacDonald: Mr. Chairman, may I say to the Prime Minister if he would draw up a list and stick to it, we would have no objection. If the Prime Minister had said on Friday what he has said this morning—

Hon. Mr. Robarts: I have ordered estimates before.

Mr. MacDonald: You are right. I appreciate you doing that, too, but if the Prime Minister had said on Friday that there was going to be estimates today, we would have been prepared. We have been prepared for two or three weeks but we were told that this was going to be Budget all day and the Prime Minister himself said there were 20 people on the list and he thought it was going to be all day. It was in addition said that we are going to throw in LCBO and WCB ahead of the Budget, so it was a legitimate conclusion that if a person had another commitment he did not need to be here this morning.

However, Mr. Chairman, I do not want to argue this any further, other than the general principle of handling the business of the House.

Mr. Sopha: You recognize a filibuster when you see it?

Mr. MacDonald: This is not a filibuster.

Mr. Sopha: Certainly it is.

Mr. Chairman: The member for York South has the floor.

Interjections by an hon. member.

Mr. MacDonald: Exactly, we are into estimates because your Budget speakers are not here.

Mr. Nixon: Nonsense, we had two speakers in a row the last time the Budget was called; you had none.

Mr. MacDonald: That is right and we had two in a row in this morning.

Mr. Sopha: You are wasting the time of the people of Ontario—

Mr. Nixon: Is it a plot?

Mr. MacDonald: The hon. member for Sudbury is not here for a week and then when he comes he wastes time and he criticizes others of doing it.

Mr. Sopha: I want to raise a point of order, if reference has been made to that. I should like to draw to your attention—

Mr. MacDonald: Is this another point of order?

Mr. Sopha: May I raise a point of order?

Mr. MacDonald: No.

Mr. Chairman: Order, please? The member for York South is replying to a point of order raised by the Prime Minister. The member for York South has not finished with his comments in connection with the point of order.

Mr. Sopha: Well, they are interminable.

Mr. Chairman: The Chairman will decide.

Mr. MacDonald: Coming from the hon. member for Sudbury, that is really laughable.

Mr. Chairman: Order. The member for York South has the floor.

Mr. MacDonald: Thank you, Mr. Chairman, I have the floor. Perhaps I can talk him down if you cannot. Thank you, very much. I would say, Mr. Chairman, on this point that I hope when the hon. member for Riverdale is here that you will be somewhat

flexible in letting him comment on later items because of the switch in the arrangements this morning.

Now there are two or three points which have been raised in the course of the general debate. I am not going to attempt to deal off the cuff with many things that might be dealt with. I will leave the considered remarks, Mr. Chairman—

Mr. Sopha: I want to raise a point of order.

Mr. Chairman: I think perhaps the member for York South has addressed himself to the chair in connection with the point of order and if he has done so, then perhaps the member for Sudbury could speak to the point of order.

An hon. member: If he has one.

Mr. Sopha: My point of order is that since reference has been made to me and a very—

Mr. Chairman: This is a new point of order.

Mr. Sopha: —laconic absence in which I was involved, I want to draw to your attention, as a matter of order of the House, the flagrant breach of the rules by two members of that party in being absent from this House for eight weeks consecutively and continuously. Eight weeks.

Mr. MacDonald: Mr. Chairman, that is not a point of order here.

Mr. Sopha: The members—

Mr. MacDonald: That is not a point of order.

Mr. Sopha: The member for Scarborough West (Mr. Lewis) and the member for Beaches-Woodbine (Mr. Brown).

Mr. Chairman: Order!

Mr. MacDonald: The hon. member—

Mr. Chairman: Order!

Mr. MacDonald: Let the records show that the hon. member for Scarborough East is not here and somebody is pinch hitting for him. The hon. member for Parkdale (Mr. Trotter) has not been here for a number of days. The hon. Minister of Social and Family Services (Mr. Yaremko) has not been here for some days, so if you want this sort of a game to be played—

Mr. Chairman: Order!

Mr. MacDonald: What I object to, Mr. Chairman—

Mr. Sopha: One of them was engaged in the breakthrough in Quebec.

Mr. MacDonald: What I object to, Mr. Chairman, is the suggestion of a filibuster regarding the conduct of this House from a member who has not been here for a week, and if anybody speaks interminably in this House it is certainly he.

Mr. Sopha: That is not correct.

Mr. Chairman: Order! I think perhaps the matter of who is here or who has been here is perhaps irrelevant to the matters before the committee. We are dealing with the estimates of the Provincial Treasurer and I think any references to who was here when, or who is here is irrelevant.

I think we should proceed with the estimates before us and for this purpose, the Chairman is calling vote 2301, under the estimates of The Treasury Department.

Mr. MacDonald: Mr. Chairman, I have not completed my introductory remarks on behalf of my colleague for Riverdale.

Mr. Chairman: Well, the member for York South may proceed.

Mr. MacDonald: Thank you.

Mr. Sopha: Did the great breakthrough in Quebec occur?

Mr. MacDonald: It was like Newfoundland. Mr. Chairman, there are two or three points on which I would like to comment briefly. I was interested in the observations of the hon. leader of the Opposition with regard to our agreements with Ottawa and whether or not we can have it both ways, in terms of urging the federal government to accept its responsibilities for tackling the problem of economic desparity in this country, and at the same time, providing a fuller flow of moneys for those responsibilities which are very pressing to the people of the province of Ontario and fall under provincial jurisdiction.

Mr. Chairman: Would the member for York South permit the Chairman to just take a minute or two?

Mr. MacDonald: Yes.

Mr. Chairman: The Chairman did call vote 2301 and the member for York South is, I believe, delivering an address which would normally have been the lead-off speaker's

address. At the same time he has suggested that we would permit, perhaps, some flexibility when the critic for the New Democratic Party, the member for Riverdale, is in the House this afternoon. Personally, the Chairman can see no real objection to permitting the member for Riverdale to proceed with the remarks he would otherwise have made, although it seems to me that the member for York South should not now take his place and that, perhaps, we should proceed with vote 2301.

Mr. Sopha: You are letting the filibuster succeed.

Mr. MacDonald: If the House wants to have it all ways, Mr. Chairman, okay. I will sit down and we will let the hon. member for Riverdale have his say this afternoon. But I wanted to comment on two or three points and if I do not do it now, I will do it later. So it is six of one and half a dozen of the other.

Mr. Chairman: Well, I really think perhaps it would be better if the member for York South does make his comments in the appropriate votes. He will not be restricted and perhaps we could proceed with vote 2301. When the member for Riverdale is in the House, he can proceed with the remarks that he would otherwise have made.

Hon. Mr. MacNaughton: Maybe, Mr. Chairman, I will not take too long if you permit me to make one or two comments on the observations of the hon. leader of the Opposition.

I am also prompted to say to you, sir, that it is not a question of who is here at the moment. It is who is all there. This has been very confusing, this little quarrel about whose marbles we are playing with, I might say. So maybe we could just comment briefly on some of those things the leader of the Opposition proposed, although I see he is not in his seat.

An hon. member: He will be back in a minute.

Hon. Mr. MacNaughton: Well, with respect to those matters relating to public accounts, Budget, abridged statement and so on, I think I can recall having said on one or more occasions in the House that we have moved towards improving the information that we provide to the Legislature. And indeed, I seem to recall that the hon. leader of the Opposition admitted that we had done this to some extent. I would have to say that we cannot accomplish this overnight.

The matter of grossing the expenditures was a recommendation of the public accounts committee which was concurred in some time ago, but we did begin this year, in the Budget, to dispense with the ordinary capital distinction that has been referred to and we attempted to replace it by budgetary or non-budgetary expenditure detail leading, of course, to the national accounts basis that the hon. leader of the Opposition has referred to. I might say for the benefit of the committee and the benefit of the hon. leader of the Opposition it is our intention to continue to do this. We hope to continue to improve the general format of submitting the financial information to the Legislature and that I think is reasonable and desirable.

The regular comment that you could expect from the leader of the Opposition regarding Ontario's frequent, continuing submissions to the federal government for a greater share of the progressive tax fields, I think, is a matter of some oversimplification. I can assure you that the government of the province of Ontario will continue to press this point at Ottawa. It is not altogether a matter of the total amounts involved—there is an absolute amount of revenue involved at all levels of government, but we are simply concerned about how we get our share and we think that the more effective, efficient means of sharing these revenues is through the abatement process—we rather think it is cumbersome.

It involves a very large duplication of personnel and machinery in the expenditure programmes at the federal level and, indeed, the provincial-municipal level when everybody is trying to expand the taxpayer's dollar. I make that rather simple and sharp observation in the matter of the competition for who shall spend the taxpayer's dollar in which, and in whose, constitutional jurisdiction.

Mr. Sopha: There is no difficulty in that. Who raises it is the problem.

Hon. Mr. MacNaughton: Well, who raises it and where do they raise it from—let me add that to the observation of the hon. member for Sudbury. Ontario has always been prepared to be a participant in any equalization formula. Indeed we stand, as we have always done, as the jurisdiction on which the equalization formula is based. The Prime Minister has said repeatedly that Ontario must be prepared to provide its full share to the resolution of the disparate situation that exists in the various provinces, but I think the time has arrived, and I have no hesitation in saying this, for us to take another look at the extent to which the revenues of Ontario may

well be needed to provide for the development of Ontario, and take it in that whole context when we sit down to discuss these matters with our provincial counterparts in the other nine provinces and, indeed, with the federal authorities.

I say rather forcefully, if I may, that these things need to be reviewed. We had some evidence of it in a Budget address from the hon. member for Thunder Bay this morning.

We have these responsibilities to Ontario and indeed to Canada and the time has come, I think, when further review may make it possible for us to improve the format in providing for the relief of the disparate situations in Canada and, at the same time, to make provision for the necessary continuing development and growth of our province.

Now, the reference of the leader of the Opposition to the word "obstructionist" did not, I think, come over too effectively, I think it was a bit of a misrepresentation. I say to you again, and with much emphasis, that Ontario believes in relieving economic disparities, we believe in equalization, and it has been said repeatedly, but we need better than unilateral consultation before we are going to be able to accomplish it effectively for the good of Canada and for the good of Ontario; and this is a point we made at the last meeting of provincial Finance Ministers, with the former Minister of Finance of Canada, that we needed this better consultative process. We made some headway at that time, at least in terms of budgetary requirements.

We are always ready to negotiate, but there is a very, very prime question associated with this and that is: who spends the money, on what priorities, by what process of joint federal-provincial decision-making, and this is again back to my recent observation that until we can sit around and discuss these matters at three levels, municipal, provincial and federal, and move away from making these determinations in isolation, I do not think we are going to solve the problems that beset us in Ontario and in Canada.

Now, the leader of the Opposition questioned the purpose of the various corporations that deal with Canada pension plan funds, which will amount this year to approximately $400 million. And there are two, of course—the Ontario universities capital aid corporation and the Ontario education capital aid corporation.

Firstly, I would tell him that all the money originating in Ontario that goes to Ottawa into the Canada pension plan comes back to us. In order to secure this, we are obliged to issue a bond or debenture each time we draw money from that fund as it accumulates. As far as the Ontario education capital aid corporation is concerned, we in turn take securities from the boards to whom we advance the money, so it is a matter of proper recording of the funds that are coming in on the one hand and providing us with some security against the funds that we advance on the other.

At the moment, I cannot think of a better way of dealing with these funds that rightfully belong and are a result actually of a very strenuous effort on the part of our Prime Minister to insure that all these funds came back to Ontario for reinvestment in Ontario. There was a time in 1963—and I think all hon. members will recall—that if it had not been for his strenuous efforts, these moneys would not now be available to us, and I leave it to every member of the Legislature to say how useful they have been in Ontario.

Mr. Nixon: Does the Provincial Treasurer disagree with the Royal commission on taxation?

Hon. Mr. MacNaughton: Oh, I do not either agree or disagree with them on that score. I think at the moment we are handling these funds as efficiently as we know how. And they have been very useful.

Mr. Nixon: Well, that is my point, that may not be good enough.

Hon. Mr. MacNaughton: There is always room for improvement, I agree with the hon. leader of the Opposition, and while he was out I indicated that we would continue our attempts to improve. I am sure that is what he wanted me to say.

Now, I think for all practical purposes, that sums up my comments on the observations of the hon. leader of the Opposition, Mr. Chairman.

Mr. Sopha: Is the Provincial Treasurer able to tell me, before I make a comment, what the figure was the Premier used in denoting the number of shared-cost programmes that are in operation between the government of Ontario and the federal government?

Hon. Mr. MacNaughton: The shared-coost programmes?

Mr. Sopha: Yes, what is the number? The Premier gave the number here one day. Was it 70-some?

Hon. Mr. Robarts: They come and go—at the moment I do recall listing them for purposes of our own research here, but I cannot recall the exact number.

Mr. Sopha: Well, the number that seems to stick in my mind is 70-some programmes. Now, I must say that the way the leader of the Opposition put his criticisms was much more simple and comprehensible to me than the Provincial Treasurer's reply. I set the criticism of the leader of the Opposition against the statement made by the Smith committee in volume 2 of the report, towards the end of the volume, between pages 400 and 500, it can be found, and they put it very didactically and very emphatically. To paraphrase accurately, I think they say that there is no axiom of greater validity than the one that governments should raise their own revenue. The revenue they intend to spend should be raised by the governments that are going to spend it. When I read that, it struck me as being a very forceful presentation of the matter.

Of course, having listened to the Provincial Treasurer in the last 10 minutes or so, one can see that the Treasurer of Ontario does not believe in that principle in the axiomatic fashion that the Smith committee approached it. Now, that statement, of course, by the Smith committee must be seen—

Hon. Mr. Robarts: I rise on a point of order, Mr. Chairman. If we are going to try to keep this business going properly, the agreement we made some considerable time ago was that there would be an opening statement by the Minister followed by one statement from each of the Opposition parties and we would then proceed to the votes. But what we seem to be doing now is having an additional member of the official Opposition commenting upon the Provincial Treasurer's reply to the comments of the official speaker for the party.

Mr. Sopha: What is wrong with that?

Hon. Mr. Robarts: Because it is contrary to the procedure of this House. That is the point of order I put before you.

Mr. Sopha: Well, I take it that we are speaking in relation to vote 2301. And my point is—vote 2301 has been called.

Hon. Mr. Robarts: Well, Mr. Chairman, if vote 2301 has been called and if these remarks are relevant to vote 2301 then, of course, the member is in order. But if he is in effect re-arguing his leader's position—

Mr. Sopha: I am not doing that at all.

Hon. Mr. Robarts: —in the light of what the Provincial Treasurer may have said arising out of the introductory remarks before any votes were called, then he is out of order.

Mr. Sopha: Well, how do you carry on a debate unless you answer what is said on the other side, Mr. Chairman? How do you do that? And I want to make the additional observation in the light of the Premier's obvious attempt to stifle debate on the public affairs of this province, he has—

Mr. MacDonald: That is what the member was doing a few moments ago.

Mr. Sopha: He has been doing that since the session began, been attempting that.

Hon. Mr. Robarts: And he talks about filibustering.

Mr. Sopha: I make this additional point—he has a ready ally, you notice, in the leader of the New Democratic Party, in carrying on that programme.

Mr. MacDonald: The member is engaging in filibustering.

Mr. Stokes: We agree with everybody who is right.

Mr. Sopha: Then I ask for your ruling, that I contend that under the first main office vote that all matters that relate to the general policy of the department are relevant. In the light of that, I say that the relations of the government with the government at Ottawa are matters that pertain to the policy of the department, and I contend—

Mr. MacDonald: Mr. Chairman, on a point of order.

Mr. Sopha: Just wait until I have finished, please.

Mr. Chairman: Well, the Prime Minister has risen on a point of order. I understand that the member for Sudbury is replying to the point of order, and he was slightly off the beam, but he got back on.

Mr. MacDonald: And he asked you for a ruling, Mr. Chairman. But before you get to

your ruling, may I draw to your attention that vote 2306 in these estimates is the policy planning division, and I would suggest that many of the issues that relate to policy might most appropriately be dealt with there. However, I shall accept your ruling.

Mr. Chairman: I would say to the member for York South, to deal with last things first, that he is quite correct.

Vote 2301 does in fact deal with general administration, not departmental policy. Getting back to the point of order raised by the Prime Minister, if the committee will recall, the member for York South suggested that their lead-off speaker was not present, there ensued an argument which was in some degree irrelevant to the consideration of the votes. However, the Prime Minister suggested that vote 2301 had been called, and the Chairman would inform the committee that he did, in fact, call vote 2301. But the Provincial Treasurer proceeded to reply to the introductory remarks of the leader of the Opposition, so that the issue has become somewhat confused. It would seem to me that the member for Riverdale has—

Mr. MacDonald: Maybe we should adjourn for lunch.

Mr. Chairman: I am just talking—trying to talk—long enough for the clock to get to 12:30. I think it is close enough.

It being 12:30 of the clock, the House took recess.

No. 148

ONTARIO

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OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Monday, July 15, 1968

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JULY 15, 1968

The House resumed at 2:00 o'clock p.m.

Mr. Chairman: Before we proceed with the estimates, I must point out to the committee that there are some members who have dispensed with the wearing of their jackets. This matter was raised in committee some two weeks, or something less, ago. At that time, the Chairman pointed out that the practice in the House had been that it was not considered proper dress to appear in the chambers without jackets.

Now there is no actual ruling, setting forth what constitutes proper dress. In the opinion of the Chairman, it is a matter of the place at which the consideration is before the assembly, what is proper and what is not proper. But I must again point out to the committee, and all of the members on the committee, that it has not been considered proper to appear in the chambers without jackets.

In fact, I would remind the members that permission was asked of Mr. Speaker some two or three years ago for the removal of jackets, and this permission was not granted in view of the fact that Mr. Speaker at that time deemed that the members were not properly dressed at that time.

So, until such time as there is some clarification, or permission has been granted, to the committee or the House, I would ask the members to observe the traditions of the House and to appear in their seats with their jackets being worn. The member for Yorkview.

Mr. F. Young (Yorkview): I would like to say a word on this. I think that the time is here for us to face up to the fact that situations are changing; that after all certain uniforms are appropriate for certain activities but there is no reason why custom and usage of the past should hold here.

Last week, we saw an occasion where one of the members of this House was able to remove his trousers, and to wear a bit of clothing which had short legs in whatever it may have been, shorts we call them.

Now, I see no reason why, if that is allowable, we should not be able to remove our jackets and have short sleeves in place of the short trousers. Certainly, our arms I think are as psychedelic, and as photogenic as the gams of the hon. member for York Centre (Mr. Deacon). And so I see no reason, if it is allowed for that kind of attire to be worn in this House, why this kind of attire should not be allowed here as well.

I realize that custom and usage have a certain place, but certainly comfort also has a certain place, and efficiency has a place in the whole situation. I suppose this comes down to the custom of the aristocracy perhaps wearing a certain kind of uniform; the working people wearing shirts, and never the twain shall meet.

I think in this kind of an institution the twain should meet and that we should be allowed to dress in a more comfortable fashion than we have dressed heretofore in this establishment. Perhaps we should now have a ruling as to whether or not the short sleeves should be allowed on arms as well as legs.

Mr. Chairman: May I just say to the member for Yorkview that the Chairman has been making certain inquiries of various people as to what might be considered proper. I think in this day and age that the matter of wearing shorts, and by that I do not mean camping shorts, or such type of shorts but shorts with the proper jacket and tie is considered proper dress.

But I have not been able to determine from anyone that they would consider, in any place of such importance as the Legislature of Ontario, that it would be considered proper to appear without your jackets. And there are arguments pro and con, and the Chairman holds no position one way or the other, it would seem to me that it is not a matter of setting a rule as to what must or cannot be worn at one time or another, but that any rule or any practice or tradition of this House, perhaps may be altered, or decided upon, with the consent of the House. So if the member would just wait a moment, as far as the Chairman is concerned, I would suggest to the committee that we determine the feeling of the committee as to what would constitute a proper dress and whether or not

it would be acceptable generally for members to appear in their places without their jackets.

Mr. M. Shulman (High Park): Mr. Chairman, on this particular matter, as being one of those involved in this fairly early, and having a fair amount to say in this Legislature, I found last week that I was soaked through after having made one of my relatively brief addresses to you, sir. I think in my opinion, that comfort should take precedence over tradition, and I do not believe this House, regardless of the feelings of other people, can decide what an individual member shall wear so long as he is decently clothed.

I submit to you, sir, that I am decently clothed and from this moment on, when it is hot, I am going to take off my jacket, regardless of what the majority of the House feels.

Mr. D. C. MacDonald (York South): Mr. Chairman, may I add a word on this matter? Quite frankly, I personally am not going to get too excited on one side or the other–

Interjections by hon. members.

Mr. MacDonald: I cannot get too excited one side or the other but plain common sense suggests to me that, having been hidebound by Victorian traditions of dress, we need not remain hidebound to them. And I am becoming greatly intrigued at the inconsistencies that emerge when somebody wears–and I do not say this critically, let me make this emphatically clear–shorts or short pants or whatever you want to call them, and this is okay, but not wearing a coat is not okay. I am a little bit puzzled at the distinction that is being made.

You just said, Mr. Chairman, for example, that wearing a tie is necessary because this is the tradition. Well, it is now becoming a tradition that a turtle-neck sweater is in. I was rather intrigued last week to notice that one member on the government side of the House came in with his tie open to here and the top three buttons of his shirt undone.

Now that presumably was in violation of the rules of the House because if you wear a tie presumably it should be worn in the Victorian traditional fashion where you have yourself strangled, so to speak. If the dignity of this House depends on whether we have coats on or not, then the dignity of this House is even more precariously based than sometimes I think it is.

I have often seen people who have gone to the mother of Parliaments in Britain and come away shocked at the indignity of feet up on the desk or something of this nature–shocked at the indignity! Well, I suggest to you that the mother of Parliaments has had far more experience than some of the fastidious, reacting people who go and get shocked at the superficialities of conduct. The basic dignity of conduct in this House is going to be completely unrelated to whether or not you have a coat on and let us not be bound by a Victorian tradition of dress which surely, "coats on" in this kind of weather, is.

Hon. S. J. Randall (Minister of Trade and Development): Now that summer is here, why do you not take off your long underwear?

Mr. E. W. Sopha (Sudbury): Are these slurs on Queen Victoria?

Mr. Chairman: Well before the Chairman makes a decision as to what course he will take in this interesting little discussion, are there any other members wishing to add anything to it?

Mr. J. H. White (London South): Mr. Chairman, I want to make several points with respect to this. We have observed in recent years how the NDP have encouraged lawlessness outside of this chamber, and now, in a less serious manner, we see how they are contemptuous not only of custom, but of the rules that have pertained here over the years. I observe with particular interest the assertion of the member for High Park that he will not only not abide by your ruling if it does not suit his purpose, but that he will not be governed either by the example of his leader or by the wishes of the majority in this chamber.

Now, sir, I have been told by well travelled friends that the southern Legislatures in the United States are extremely informal, and that in the state Legislature in Georgia, for instance, the legislators sit around in their shirt sleeves, smoking cigars. That has been a source of some contempt so far as our Canadian citizens have been concerned, and I have no doubt that the humorous editorials and the newspapers directed against more conventional members would have had a different point of view had circumstances been a little different. I mean by that, that the *Globe and Mail*, for instance, thought it was very jolly that the Tories kept their coats on, and saw fit to criticize my colleagues and me had we taken them off. Of course, they

would have been chastising us, no doubt, for not having the self-discipline or the fortitude or the courage to keep our coats on. So it is just one of those issues that you cannot win.

I myself am going to suggest a compromise here. I am going to suggest, Mr. Chairman, that in the less formal atmosphere of the House in committee we be permitted to remove our jackets and I would suggest that in the more formal atmosphere of the House proper, when Mr. Speaker is in his chair and the mace on the table, we assume a more formal garb.

While I am on my feet, sir, I would like to know why we cannot occasionally open these windows and draperies and let the very nice fresh breeze that is coming off the lake into this chamber. I made this protest a couple of years ago.

Hon. J. P. Robarts (Prime Minister): We cannot do it because Public Works says it will take all the fresh air right out.

Mr. White: Well, that is where Public Works and I disagree. But anyway I made the complaint a couple of years ago, and it was opened a crack and that crack was sort of enjoyable, but I would just like to see it tried once again before I go to my great reward.

Mr. Chairman: Any other member? The member for Welland has been attempting to speak.

Mr. E. P. Morningstar (Welland): Sir, I can recall when I was first elected to this Legislature, a lady could not come in this Legislature unless her head was covered —she had to have some wearing apparel on. Now that has been changed. I agree with the hon. member for London South that when in committee of the whole we dispose of our coats and that when the Speaker is in the chair we should be a little more formal. Actually there is nothing wrong with that.

Mr. Chairman: May I just say I do not want to restrict any member from adding something to this, but we could discuss it the entire afternoon. If any member has something further to add I would be pleased to listen to him.

The member for Oshawa.

Mr. C. G. Pilkey (Oshawa): I just wanted to make a very brief comment. I want to say this to the members of the House—that I suspect very strongly when history is really written about this 28th Legislature and its actions and activities, its results will not be determined on the basis of our dress. It will be determined on what kind of action we take as legislators, and so I would suggest very strongly that we adopt the member for London South's suggestion and when we are in committee we go along with the question of just wearing our shirts.

As I say, maybe this will result in us making more meaningful progress and decisions as far as the Legislature is concerned. I hope that it would, because really this is what we are elected for. This is why we have been elected by our constituents—to make some determination and some progress in terms of legislation for the people of this province, and if taking off our coats results in that, then I think that we should do so.

Maybe it will not, but let us try it, and at least we will have given ourselves a little comfort. I know that when you work in an industrial plant and you are working under these kind of conditions, you get down to the least amount of clothes, even not wearing a shirt, and if you are producing as much as when the weather was cooler, I do not think the management worries too much about how you are dressed.

As long as those automobiles are going off the end of the assembly lines, and they are getting their production quota, they are not really too concerned as to how you dress. So we should not be too concerned here if we are making legislative progress—if we can—as far as the people of this province are concerned.

Hon. Mr. Randall: If the hon. Provincial Treasurer (Mr. MacNaughton) quits at 4:30 you have made your point.

Mr. Chairman: The member for Brantford has been on his feet before.

Mr. M. Makarchuk (Brantford): Mr. Chairman, just a brief comment. July 15 is not really known for any sort of historical context but perhaps it will go down in history now as the day the Ontario Legislature went topless.

Mr. Chairman: The leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, it seems to me that the Minister of Public Works (Mr. Connell) could have assisted us in this if he had had the foresight to air condition the chamber. I know the Premier's feelings about this, however, and I would therefore suggest that our dress should not be determined by the order

of the business but by the temperature and the humidity. I would certainly hope that if some of our members find it is too uncomfortable to remain with their coats on, you will not discipline them and that any of us who feel that it is unnecessarily uncomfortable would be free to shed our coats in order that we could proceed with the business.

I agree with the leader of the NDP who said a moment ago that he is not going to make a big thing of it. I can see that it is quite a problem for you, Mr. Chairman, since there is no particular rule for you to enforce, nor really a precedent set. Surely the precedent of good sense, at least, is one that would permit us to shed our coats if the heat is uncomfortable, whether we are in committee or whether Mr. Speaker is in the chair.

Hon. Mr. Robarts: Mr. Chairman, before you make your ruling, I would like to make a comment. Frankly, it does not matter to me whether we sit here in our jackets or not. I think I might be a little concerned if say, in January or February, when we were sitting here and we had various young people in the gallery from our educational institutions and somebody, just to be smart, chose to come in and sit around in their shirt sleeves. I think this would be against the good sense and common sense that the leader of the Opposition has mentioned.

The only point I make is that I feel we must have some rule of the majority in this House if we are to behave like civilized human beings. In other words, I am perfectly prepared to abide by the majority decision of this assembly, but I am a little disturbed if we are to get to a position where any of us, as individuals, are going to say: "Well, we do not care what the majority thinks, we are going to do it otherwise."

In relation to individual behaviour, I can only see this is going to cause those who are charged with the conduct of the business from the chair a great deal of difficulty as to how they are to proceed. I do not think that attitude will in any way enhance the total efficiency of the assembly. If we, as a body of elected people, decide on a course of action and the majority of us decide upon it, I think we must accept the fact that we will accept the position of the majority and, as I say, personally I have no objections to sitting here with my jacket on. That may be because of my peculiar physical conformity underneath the jacket; that may be why I want to keep my jacket on, I do not know. But in any event, I think that when you sense the feeling of the House as perhaps you can now, you might make your ruling and, I at least, I and the group I have the honour to head, will accept it.

Mr. Young: Mr. Chairman, might I just say as one who spoke originally on this subject, in reply to what the Prime Minister has said, that those of us in this group had no intention of defying the laws of temperature. We were thinking, in terms of heat only, that during the winter session there is no reason why jackets should be doffed but when it comes to certain degrees of temperature such as exist at the present time, then we feel that there should be a right for the members to be a little more comfortable.

Mr. Chairman: I would just say that since the assembly is in committee at the present time, and as Chairman of the committee, I do not intend to make any ruling nor to accept any vote which will be binding upon Mr. Speaker while the House is in session.

However, if it is agreeable to the members of the committee, I believe that the proper thing to do would be to have a standing vote because Mr. Chairman is sometimes called upon to express an opinion as to whether the "ayes" or the "nays" have it and I am not at all sure my judgment in that respect would be completely accurate or acceptable. So I would put it to the committee this way, that those members who are in favour of permission being granted to remove the jackets while in committee will please rise.

Those who are opposed to the removal of jackets while in committee, will please rise.

Clerk of the House: Mr. Chairman, those in favour are 41, those opposed 12.

Mr. Chairman: The Chairman, therefore, declares that it will be permissible to remove jackets while the House is in committee of the whole, or committee of supply. Now, if we may get to the estimates.

ESTIMATE, THE DEPARTMENT OF THE TREASURY

(Continued)

On vote 2301.

Mr. E. W. Sopha (Sudbury): I had a point of order referable to the observations made by the Prime Minister (Mr. Robarts) about the relevance and propriety of the remarks in respect of the relations with the federal

government in fiscal and taxation matters, and you were still considering that point of order.

Mr. Chairman: The Chairman admits that he forgets it completely and perhaps the member would repeat the point of order.

Mr. Sopha: Oh fine; may I just proceed with my remarks then on the first vote?

Mr. Chairman: On that point of order, do you wish me to determine and rule on your point of order?

Mr. Sopha: Well I would just as soon forget it and proceed.

Mr. Chairman: Well, let us all forget it and proceed with vote 2301.

Mr. D. C. MacDonald (York South): Mr. Chairman, I am sorry to get up again, but I thought you had ruled on it, that matters of policy in relation to the federal government come under vote 2306?

Interjection by an hon. member.

Mr. Chairman: No, the Chairman said that.

Mr. MacDonald: The first vote deals exclusively with administration?

Mr. Chairman: Exactly, the Chairman has so ruled.

Mr. Sopha: Mr. Chairman, in this matter of relations with the federal government, is a continuation of the matter raised by the leader of the Opposition (Mr. Nixon) and replied to by the Provincial Treasurer (Mr. MacNaughton) appropriate under 2306?

Mr. Chairman, Yes, vote 2306.

Mr. Sopha: Fine, thank you.

Vote 2301 agreed to.

On vote 2302:

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, there are some comments that I would like to make in respect of the development of finance and economics, and some which I have for the Provincial Treasurer. Now, in referring to the Provincial Treasurer's speech, he was, of course, telling us on March 12 that the provincial economy was not reaching the performance which he had planned for. In that speech, we were informed that there were problems on over-all productivity and inflation of costs and prices, and that generally the unemployment picture was not what the Provincial Treasurer had hoped that it would be. But by the time that we get an article that I will refer the House to as in the *Globe and Mail* of July 6, we find that according to Mr. Terrence Wills, there have been tremendous changes in the operation of the provincial economy.

The statistics which he refers to in that article, and I will not burden the House with any more than referring to it, state that the entire picture had changed. I am wondering, because of that approach, and because the estimates, Mr. Wills said, showed that the pace of the economy had definitely quickened, what the Provincial Treasurer would say to the article that appeared in *Time* magazine and was entitled, "The Perils of Underestimation."

It would appear to me that the provincial government, with the staff of economists that it now has, and with the machinery available to it, should be making a better job of estimating the economy of the province. This article in *Time* last week, refers to the difficulties that the American economy has faced, with the forecasting and the errors in forecasting, and the shortfalls in the methods and the information arrived at. It would appear to me that we find that Wall Street, in its development of the economy, and the stock exchanges are reaching far earlier peaks than we had been led to believe.

The airline industry is far better organized in trying to service the millions of passenger miles each year, than we had presumed that it would be, and to a lesser degree, whether a person is trying to drive a car on an expressway, or whether he is lining up to tee off a golf game, he finds that he has got to wait.

The full situation of the economy is such that persons who should have been able to make estimates as to where the economy was going, have failed to do so. Now, Mr. Chairman, I feel that we have the same problem with the estimation of population trends and we are told that we are so off the mark that even the manufacturers of "the pill," that we hear so much about, have underestimated the demand for their product.

Now, surely we can be better off than we are at the present time. We have a large number of economists in this department, I presume, coming generally under the control of the decision makers whose salaries we are paying in vote 2302. But it seems to me that we should be going further than we have been, looking at the total operation and methodology of The Treasury Department, I

think that we should be coming to the conclusion that the systems that we have used in the past are no longer adequate for the present.

I think surely that in the months that have passed since the re-organization of the department, we should, as citizens of the province and members of the Legislature, be asking what the result of the re-organization has been.

The "guesstimates" that the Provincial Treasurer has made in his Budget, as shown against the results four months later are as far off the mark as they ever have been, and surely the talent of those for whom we are paying the salaries in these votes should have some responsibility in keeping us on the track. Now, perhaps they have not yet found their feet in their new surroundings that they face; or they are not using to good advantage the new tools of forecasting, extrapolition and prediction which should be available to them. Finally of course, perhaps the figures which they are producing have not been believed. I would like the Provincial Treasurer's comment on how he sees the province resolving this problem of underestimation?

Hon. C. S. MacNaughton (Provincial Treasurer): Mr. Chairman, the hon. member was not in his seat this morning when I made what I felt was a sensible attempt to do this. I might make one more reference that is repetitious, to paragraph four of the remarks that I made in introducing the estimates of the department when I said that one of the more important targets set for the period 1963 to 1970 was a 5.5 per cent annual increase in our gross provincial product—and I say now that we expressed in real terms. Since 1963, our annual average has exceeded this target of 5.8 which was a little better than forecast, but last year the actual rate of growth fell below; in other words, the growth rate has not been as even as we would have liked to see. In real terms, it dropped to 3.7 a year ago.

Now, actually I say to the hon. member that that is the purpose for the reorganization of the department. I draw to his attention that this became effective in December 15 last, in structural terms, although the statutory change has only recently been accomplished. I think that it is fair to say that by the time the abridged report of the Budget is available in November, we will find that our Budget forecasts for the year ending March 31, 1968 are in fact very close and precise.

As a matter of fact, we forecast in the Budget statement, an 8 per cent increase for 1968 in gross provincial product, 4 per cent real, and 4 per cent price. It would now appear that we were on the conservative side, and that the total increase will be more on the order of 8.5 per cent, 5 per cent real, and 3.5 per cent price, or to some extent inflationary.

I would just simply point out to the hon. member that this is the reason for the structural changes in the department, and to you Mr. Chairman, it is a little too much to expect that a structural change that was only made effective December 15, and for which statutory provisions have only been made in the last few weeks to produce the total precision that that hon. member is making reference to. This would be instant provision overnight from a situation that has only really been introduced.

On the other hand, I hope that he will be reassured when I tell him that we are hopeful now that the restructuring of the department, the relationship to the economic and the financial policy side associated with a department that will pursue revenue policy and the revenue matters associated with statutory requirements in terms of Smith's recommendations, will indeed produce the happy situation that he is commenting upon. And I can assure you, Mr. Chairman, this is the aim of the Provincial Treasurer, the government, and The Department of Treasury.

Vote 2302 agreed to.

On vote 2303:

Mr. Breithaupt: On vote 2303, I would appreciate receiving from the Provincial Treasurer some information. We note that in the four branches under this vote, a number of rather substantial salaries are paid, in each of the separate segments of the vote. I would like to know how many qualified economists are on the staff of the economically statistical services division, and if the Minister wishes, or has other information, perhaps he could tell me at this time how many are directly referable to the other divisions of the department—if he does not wish to give me that information all at once.

Hon. Mr. MacNaughton: Mr. Chairman, under this vote the reference to staff would involve a complement of 69 persons.

Votes 2303 to 2305, inclusive, agreed to.

On vote 2306:

Mr. MacDonald: Are we taking these in sections, Mr. Chairman?

Mr. Chairman: Does the Provincial Treasurer feel it would be perhaps better to take these under the departmental headings or just in one total vote?

Hon. Mr. MacNaughton: Well, I suggest that is up to yourself, Mr. Chairman; the policy planning division covers a wide number of general subjects I would propose, and it could be dealt with item by item as you see fit.

Mr. Chairman: Well, what about item for item as appearing in the vote? Perhaps it might be better under the titles on page 144. Would this be agreeable?

Hon. Mr. MacNaughton: Page 144?

Mr. Chairman: Yes, the headings on page 144?

Hon. Mr. MacNaughton: That is fine with me.

Mr. Chairman: All right. You agree with general office under vote 2306, policy planning division, general office. The leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): Well I wanted to make a comment about this. While I stepped out of the House earlier today, the Treasurer, in what has been reported to me as something of a lapse in his usual good humour, was quite critical of the fact that I was not present to hear his reply.

Believe me, I wish that I could have been, because of the way the business was being conducted at the time. If you remember, Mr. Chairman, the hon. leader of the NDP was on his feet, and it was my expectation that we could count on him for a few minutes as we usually can. While I hated to miss his remarks as well, it was necessary that I be absent for a few moments. But I must say that I was not pleased at the way the Provincial Treasurer's response was reported to me, if you want to know the truth.

Hon. Mr. MacNaughton: Well, Mr. Chairman, I had hoped that the hon. leader of the Opposition would accept my remarks as those of regret that he was not here. I wanted him to hear what I had to say.

Mr. Nixon: That is certainly not the way it was reported, because surely you can follow in your own mind if you are reasonable, and I know that you are. It was the time when I did absent myself very briefly. And I would say that I am very sorry that I did not hear the Provincial Treasurer's reply. I have asked the page to go and get the transcript of what was said so that I will not have to ask the questions again. And I hope that the answers are there.

Hon. Mr. MacNaughton: I will endeavour to be my amiable self.

Mr. Nixon: Yes, so will I. So we are talking about the general office of the sixth vote.

Mr. Chairman: General office, the top of page 144.

Mr. Nixon: Right! Now I wonder if the Minister could comment a little more fully than perhaps he already has as to how the computers that are used in the planning in his department, under the general office, can be used as well to put before the Legislature and the taxpayers of the province, a more up-to-date view of what the Provincial Treasurer has been doing and is about to do.

I have said before that I do not feel the three basic documents that he puts before us are sufficient in this day and age to keep the Legislature informed, either as to what has been accomplished or under this vote what he plans for the immediate future. Can he tell us if he has planned then to use the computers—and we have a very extensive installation indeed—to keep the Legislature informed on a more timely basis?

Hon. Mr. MacNaughton: Mr. Chairman, yes, I think perhaps that is a fair question. To tell you categorically how we would use the computers and associated data processing measures is something which is a little beyond me. But I would say this to you, Mr. Chairman, and I said it this morning when you were obliged to be out of the House. It is the intention—and I think I have given some evidence of that to the House in previous observations—it is our intention to improve the format of the estimates. We have already given evidence of improvement in the format of the Budget, with the supplementary Budget papers, in considerably more detail than ever before.

Mr. Nixon: We have had those three years now.

Hon. Mr. MacNaughton: Yes, I indicated to the House that we were pursuing the matter of continuing the refinement of the process to present the Budget on a national account basis. I indicated that to the House this morning. But I would go further and say that we have already started consideration

of improvement in the format of the abridged report. The hon. member said this morning that he would like to sit down with me some day and go over that and learn.

I suggest that I would like to follow his second suggestion when he comes and have somebody there who can help us both. I will be quite frank about that, Mr. Chairman. And we do hope to make that a more revealing document for the House and indeed for the public. I think they are entitled to it.

Mr. Chairman: Might I just point out that the Provincial Treasurer has requested during his opening remarks that we deal with vote 2311 after we passed 2306; 2311 has to do with the computer services centre, data processing, and so on. So we will deal with that specifically in 2311 immediately after 2306 is completed. Anything further under general office on 2306?

The next department is taxation and fiscal policy branch. The member for Kitchener.

Mr. Breithaupt: Mr. Chairman, on that sub-branch, I would be interested in hearing from the Provincial Treasurer his comments with respect to the planning which we presume occurred before the last Budget was brought before the people of Ontario. It seems that with revenues of some two and a half billion dollars, we still have a deficit of well over $252 million—or some $700,000 per day. And in the decisions made with respect to taxation, it would appear from the taxes imposed by the Provincial Treasurer that the content of the document generally was most regressive, with its having strong punitive effect on the lower and lowest income groups.

Now, as hon. members are well aware, these regressive taxes have the unhappy function of removing the purchasing power and the decision-making power from those with the lowest incomes to a far greater degree than they do from those whose incomes are somewhat higher. And this Budget seemed to me to be a very strong document which allowed these regressive taxes to go virtually unpunished and unchanged except to be increased. I am wondering if the Minister can give us some knowledge as to the individual studies that were presumably performed by this branch, to decide as to the choice of these taxes.

Hon. Mr. MacNaughton: Yes, Mr. Chairman. I should say to the hon. member and to the committee that over a period of weeks, I guess months, prior to the presentation of the Budget, that most, if not all, alternatives were considered but to recite in detail would be difficult. We met in Budget committee as frequently as it was possible, and we reached, I think, the only conclusion we could have reached at the time. That was simply what was stated in the Budget address which the hon. member, of course, I am sure has read. The conclusion is that the revenue sources open to a provincial jurisdiction—and in this instance the province of Ontario—are very restrictive.

I do not want to be criticized for getting back into the area of progressive tax fields and the extent to which they should be shared, but I have to say to you, Mr. Chairman, and to the Legislature, that the use of the progressive tax fields in sufficient terms are partly denied to the province. We must rely on these narrow-based revenue sources such as specific taxes on gasoline and the sales tax which, of course, still remains at the 5 per cent rate and is a regressive tax.

We are very much aware of the regressiveness of the sales tax, Mr. Chairman. This is why we do not treat lightly the possibility of added revenue from this source. It is acknowledged to be a regressive tax, but as I say, there are very few revenue sources at the command of the provincial government any more.

Now I do not know whether I have dealt with that in the specific detail that the hon. member would have wished. Maybe I have generalized, but I assure you we examine these things exhaustively. I would like to hope that, however imperfect we are over here, we do not impose taxes on the public lightly. This was not done without a great deal of study and foresight and the conclusions we reached were based on the very difficult task of obtaining revenues. Indeed, we did not obtain sufficient revenues from the taxes we imposed. The revenue fields available to us are not sufficient to produce the revenue, and that this jurisdiction—this growing jurisdiction—imposes on the government. It is for this reason that we will have to keep up our pressure, if you like, and our efforts with the federal government—but not in the cap-in-hand sense that has been referred to from time to time. We do not go down there cap-in-hand. We go down there and simply say to the federal government that we can no longer deal with these situations in isolation.

We are supported, first of all, by the findings of the tax structure committee, Mr. Chairman. The hon. member knows we are supported by the Ontario committee on taxa-

tion and the economic council of Ontario. We have been supported by so many authoritative people in that we need more room in the progressive tax field, that I must say it is a little difficult to understand the attitude of the hon. leader of the Opposition. And I say that in fairness, Mr. Chairman, I say that in fairness. When you examine the situation, as the Provincial Treasurer, and indeed The Treasury Department must do, you come face to face with these conclusions. You cannot escape them. They are inescapable. So I just want to repeat for the benefit of the leader of the Opposition, I will welcome his questions.

It is not a cap-in-hand trip to Ottawa. It is an attempt to get the federal government to be a partner of three levels of government; to sit down and examine these things, both on the taxation side and on the expenditure control side, and bring some sensible rationality to the whole picture. That is what we do when we go to Ottawa, but we do not succeed.

Mr. Nixon: Mr. Chairman, this is surely the time that the Provincial Treasurer is approaching what I asked for this morning. That is the sort of a statement of policy that will inform the House and the province, before he and the Premier and the others go down to Ottawa with whatever attitude they have, which I assume is a reasonable one.

Now he has been critical of me calling it a "cap-in-hand" attitude. In fact, you go down there and say what you want. You can call it a demand, or whatever you want, but if, in fact, you do not get what you want, what alternatives have you? You have got only one if you need more money. Is that so?

Hon. Mr. MacNaughton: Yes. Three alternatives.

Mr. Nixon: Not if you are limited to a decision for more money.

Hon. Mr. MacNaughton: The first one would be to reduce expenditures.

Mr. Chairman, the hon. member asked me. The first one would be to reduce expenditures, and that is difficult to do in a province that is developing like Ontario, and I am back to the comments of the hon. member for Thunder Bay this morning.

The second would be to increase taxes, and we went as far as I thought it was prudent to do on that basis in March.

The third is to borrow the difference. Borrow the difference and run the risk, if you like, of either not being able to reduce our capital debt, or the alternative risk of increasing our capital debt. Now there is not a happy set of circumstances for anyone, and this again, I emphasize, is basically what we ask Ottawa to reckon with and to sit down and discuss with us—that is all.

Mr. Nixon: Now I think it would be very useful if it were made abundantly clear across the province that the point the Provincial Treasurer makes is well understood. That is, he feels, and a good many people who advise him, like our own Royal commission, and the tax structure committee agree, that the federal government should abate more of federal moneys that they collect, to this jurisdiction and the other provinces, but the thing that has to be made very clear, is what the alternatives are. In case federal policy does not permit that, for reasons that are their responsibility; that we are, in fact, cap-in-hand, because if they turn us down, then we have got to come back from there and look after our own affairs.

This is really one of the principles of taxation that our own Royal commission sets out, that in general, and wherever possible, and all of those other qualifying phrases, the jurisdiction that spends the money should have the responsibility for raising it. The big qualification as I see it, is that in order for our nation to proceed as we would expect it, there has to be a range of joint programmes.

Someone this morning, mentioned there might even be as many as 70, but in fact there are only about six or seven important joint programmes, and this spectrum or list of joint programmes actually changes. This is what makes Canada what it is. This is what does bring about equality of opportunity, whether it is for jobs, or whether it is for medical care, but I do not think the Provincial Treasurer, and certainly the Premier, has ever given the proper impression to the people of this province that the responsibility is ours. If cap-in-hand is not the proper phrase, then I ask you to think up another one, because you go down there and ask for something, and they either give it to you, or they do not, you have no power to extract it from them.

Hon. Mr. MacNaughton: Well I just want to say this to the hon. leader of the Opposition: I think we send him most of the principal statements that we make, and if he cannot read what is said down there by the Prime Minister and his predecessor in office,

and what I have been obliged to say myself, then I just wonder why he would make these comments today. Our picture has been put in very broad general terms.

Mr. Nixon: That you have got to have more federal money?

Hon. Mr. MacNaughton: This has been one of the basic proposals that have been made to the federal government.

Mr. Nixon: You made it again this morning.

Hon. Mr. MacNaughton: Exactly, and I make it again now.

Mr. Nixon: You did not emphasize the alternatives, and you have got to make those clear to the people of the province.

Hon. Mr. MacNaughton: The people of the province have been made very much aware of this. The theory of spending and raising money is fine, Mr. Chairman, provided the fields of expenditure are properly distributed, and this is our main concern. The fields are not properly distributed. With the progressive field on the one hand, and the regressive tax fields on the other this is the basic problem, this is what we have been trying to say.

Mr. Nixon: You do not deny that you can raise income tax if you choose to do it on your own initiative?

Hon. Mr. MacNaughton: It is not a matter that we can raise the income tax on our own initiative, but I suggest to you we are going to make our case first, one way or the other, rather than impose something more than 100 per cent of income taxation on the people of this province, and that is what it would be.

Mr. Nixon: I think you must make it abundantly clear to the people, that these are the alternatives, because you come across, and the Premier as well, simply as saying we have got to have more federal money. If that is not forthcoming, it is the alternatives that I think people should be aware of as they watch you people deal with the government in Ottawa.

Mr. Chairman: The member for York South.

Mr. MacDonald: Mr. Chairman, there are two completely different issues that I want to raise, the first is the one that is now being debated, and which I was going to make a few comments on before lunch, but withheld until the appropriate estimate came up.

Some of what the Provincial Treasurer has just said, I would agree with wholeheartedly. We in the province of Ontario, in my view, and indeed in all provinces, have got to have more revenues if we are going to be left constitutionally with the range of responsibilities that are there now. Now that may be changed in the continuing constitutional conference at Ottawa, we do not know. But as long as we are fixed with the responsibilities that we now have, the provinces must have more revenue. Now it has come to the point that the leader of the Opposition is zeroing in on, namely, where do we raise that revenue? The line of Mr. Sharp was: "If you do not get any here, go home and raise it yourself." And this is, in effect, what the leader of the Opposition is pushing. I assume this is still the federal line: "Go home and raise it yourself"?

Now there is an old theory that I listened to from Dr. Corry and other professors at Queen's 30 years ago, about "the jurisdiction that spends the money, should raise the money." But in a federal structure, I must say that that principle has been violated more often than it has been observed and in my view, there is validity in it being violated. Partly for the reason that the Provincial Treasurer said, namely, that the federal government has got a stranglehold on progressive taxes and has left the regressive taxes at the provincial level.

So if you say to the province, you do not get it in Ottawa after your cap-in-hand session, go home and raise it yourself. That means you build to even higher heights, the regressive tax structure we have got in the province of Ontario or across the whole of this country.

The second point is that if we are going to have unity in this country, it seems to me that for a variety of reasons, all of which I do not need to detail, that the revenue has got to be raised at the federal level. If you are going to have corporate taxes that begin to have great variations from province to province and personal income taxes that have great variations from province to province, I suggest the full consequences of that to Canadian unity, that much talked about objective, are going to be serious. Therefore, I think there are limitations on the proposition that Ottawa can say: "If you do not get what you want at Ottawa go home and raise it yourself."

In short, on this issue I am inclined to be pretty completely on the government's side.

Now just in case you think that something might have gone wrong, and your exuberance gets a little out of hand, I will draw to the attention of the government that there are certain areas where you can raise money in the province of Ontario, such as resources taxes, and if you raise them in the province of Ontario you would get 100 per cent of every dollar you raise but you have never been willing to do it. So, the money goes off to Ottawa and you only get a proportion of it back and your lament becomes a little bit weak.

In other words, if you really need revenue, raise it in the province of Ontario and when you raise it from those corporations it becomes a deductible item as an expense when they calculate their corporate income tax to the federal government in Ottawa. In short, you will get 100 per cent of the dollar. I am talking of the tax dollar. I am talking in a very parochial way now in terms of meeting Ontario's needs on the basis of the Provincial Treasurer's rather persistent plea.

So it will be interesting to see whether the Ottawa line will continue to be: "If you cannot get it here, go home and raise it yourself." If it is, to a considerable degree I hope this government will buck it. Because I am convinced that this nation is going to get into increasing difficulties if provinces meet their constitutional requirements by raising revenues which create an even greater disparity in tax structures from province to province all across this nation. That is not the way to build a united Canada or a just society.

Now let me go on to my second point, Mr. Chairman, unless there is further debate that you wish on this one? Perhaps we should deal with it in a tidy way.

Mr. Nixon: Mr. Chairman, before we leave the point, I think we have to bear in mind that before we meet again as the Legislature there is a good chance that this government will meet with the government at Ottawa on the points we are talking about now. I would like the Provincial Treasurer to give us a report—and not just on our preparations for that meeting. This tax structure committee has recommended very realistic co-operation which has not been forthcoming, I would say, in the broad sense or even in the particular sense, in the past. What chances are there for that tax structure committee to have, let us say, a more positive effect on the conferences that will be coming up this fall or next year? Is this committee still meeting? Will its recommendations continue to influence all of the provincial jurisdictions equally? It is representative of all provincial jurisdictions and the government of Canada. What processes are already working for the solution of the problem that really has been at the nub of the debate under this point?

Hon. Mr. MacNaughton: Actually, the continuing committee meets regularly. As a matter of fact, I think they are scheduled to meet again in about a week or ten days' time. The continuing committee made up of advisors to the federal and provincial governments conduct a series of on-going meetings.

With respect to bringing the recommendations or the information—and that may be a better world—of the tax structure committee more forcibly to the government of Canada, I simply would not know how to do it. It was delineated in the most clear fashion. The hon. leader of the Opposition knows the tax structure committee forecast a continuing trend towards a rise in the revenues at the federal level and a similar decline in the revenues at the provincial levels. Conversely, the expenditure programmes of the provinces were going to increase at a faster rate than that of the federal government.

It was pretty sharply delineated. I really do not know what more could be done to put a factual position before the federal government than was done in that report of the tax structure committee. If that was not enough, it was thoroughly well supported and endorsed, if you wish, by the economic council of Canada, underscored again by Smith and underscored by almost any person that you want to read who comments on the problem.

As the hon. member for York South said, this matter of being told to go back and raise your own revenue—and this is exactly what the former Minister of Finance told the provinces to do—poses real difficulties because, at the same time, he told us that the government of Canada, when they were on an austerity programme, were going to put an end to all the open-end shared-cost programmes in one and the same breath.

So, in all frankness, Mr. Chairman, I say to the House it is difficult to know how to go to Ottawa. Unless, hopefully, there is a bigger, broader, better ear down there now than there has been before, I would be at some loss to know how to go about presenting Ontario's picture. Frankly, Ontario presents a picture that, in varying degrees, you can relate to all the provinces. It is a matter

of degree. Certainly Ontario has been called and recognized, for a long time, as the wealthy province and I guess this is true.

I would like to suggest to the committee, Mr. Chairman, if I may, a good strong, viable, healthy Ontario is good for Canada —and I hope the government at Ottawa knows that. It is good for Ontario and it is good for the rest of Canada. If they are going to continue to equalize on Ontario, they cannot ignore us totally. We need a strong, viable Ontario to help all Canada equalize their disparities. I hope we find more good listeners down there than we have had in the past because, in all frankness, I do say to you Mr. Chairman, Ontario has problems too with growth, and areas of disparities and undeveloped portions of the province that need to be developed. I would simply say I hope those people down there are prepared to listen a little more.

Mr. MacDonald: Mr. Chairman, before we leave this area of problems in relation with Ottawa on fiscal agreements—may I ask the Provincial Treasurer, I have heard it said that it is likely, because of the time element, that the present two-year programme will be extended for a certain period. Normally it ran on a five year basis and this year we are on a shorter two year basis.

One of the reasons is partly because of the shortage of time, but also because of the highly desirable objective of implementing tax reform before we get into a new fiscal arrangement. Now, in the province of Ontario, assuming we are working on the timetable of our select committee of the Legislature, reporting in September, so that the next session of this Legislature can consider tax reform at the provincial level, and assuming now that the government at Ottawa has a majority, they are going to move forward on the Carter commission—either doing or not doing what the Carter commission recommended. Presumably in a year or so we can implement tax reform and be in a position to have fiscal agreements which will be based on a more equitable tax structure. May I ask of the Provincial Treasurer, is this the thinking of the government?

Hon. Mr. MacNaughton: Well, Mr. Chairman, I would like to think there may be certain areas of discussion that could wait. I think the matter of tax sharing must be given some early consideration because as I see it, Mr. Chairman, I would say to the House, the implementation of, let us say, some, probably most or all of the recommendations of the Smith committee are really based on this three-way premise that I referred to before. Without going into Smith, chapter and verse, I have grave doubts myself as to how you could implement Smith's recommendations to be meaningful, to change the tax base to benefit the municipalities, without the three-way participation to which I have made reference. I do not think we could do it. Again—back to the regressive nature of our own revenue. What have we got out of the absolute amount of money to share? If we give it here, we have to take it there. I mean, this is fine, and we have already moved to do some of these things and I think we can perhaps move to do more. But to go very far with Smith without the participation of Ottawa in a meaningful sense, I think all would agree would be very difficult.

So we would hope we can get on with this tax-sharing, or this sharing of tax fields, very quickly, and I do not know that it would need to impede anything that requires to be done. If they are intermediate steps toward a final stage of what might be called an overall plan that could hopefully be worked out, I do not think we would lose any ground. Neither, do I think, would Ottawa. But we have to have this attitude that I have made reference to in Ottawa before we can give effect to anything very meaningful. That would be my opinion, Mr. Chairman.

Mr. MacDonald: Mr. Chairman, I go on now to the second point that I wanted to raise and it has to do with highway revenue. I return to a further chapter in a long serial that I have had with this government, and more particularly with the Provincial Treasurer, and that is to exactly what the government policy is with regard to highway revenue.

Now, the last time we discussed this, during the estimates of the Provincial Treasurer, I informed the House that this secret report which the government had been sitting on for some five years is, from this point forward, not going to be secret, because I have a copy of it. It is right here, and I intend to use it. As I have indicated in the House, the reason why the government has sat on the report for so long was a little bit mystifying, because if I may just briefly recap, back in 1957 or 1958, the select committee of this Legislature recommended unanimously that we should move toward a weight-distance tax to raise more revenue from the big trucks that travel on our highways and which, allegedly, were not paying their fair share of

the almost double cost that is required to build a highway that can stand the pounding of the big trucks.

And the government got into a process of studying; they completed a report about 1963 or 1964—at least so the annual meeting of the ATA was informed last fall, a meeting at which the leader of the Opposition and the Minister of Financial and Commercial Affairs (Mr. Rowntree) and myself were present as panel guests as spokesmen for each of our parties.

Now, what becomes evident, at least if I may be forgiven for a moment in guessing, is the reason for the government's hiding of this report for so long—it is obvious that the government is violating many of the basic conclusions that emerged in that report. The government is operating on the rather superficial conclusion that was arrived at from the Smith report, which did a little bit of studying of the study that had been done by The Department of Transport and then came up with its conclusions. That was that the province is not raising adequate revenue from the highway users—indeed, if I may quote just briefly from a comment made by the Provincial Treasurer following his Budget, I believe, it is quoted by the ATA in their regular bulletin for the date of March 18. The Provincial Treasurer was quoted as saying:

> At present, automobiles and other vehicles are taxed too lightly in relation to the total costs which they entail for the people of Ontario. Apart from building, maintaining and policing our roads and streets, there are the social costs of pollution and congestion. In addition to these factors, we must always try to ensure that any changes we introduce improve the equity and efficiency of our overall tax structure.

In other words, what the Provincial Treasurer is doing is loading on to highway users, a certain proportion of the social costs of congestion and pollution and is also, in his rather oblique reference to the efficiency of the tax system, saying that this is just as good a way to raise a dollar in taxes as anywhere else—"We can get it rather readily, so that is where we are going to get it".

Now, let us get down to the basics of policy: The Smith committee repeats the conclusion of the study of The Department of Transport that was completed in 1963 or 1964, namely that highway users should be obligated to carry in the range of 68 to 75 per cent of the cost of highway construction, it being argued that the remainder of the cost might legitimately be carried from the public Treasury because of the economic values that flow from highway construction.

And these we are all extremely familiar with as we watch industrial development along the building of a modern highway like 400 or 401. All right, 68 to 75 per cent. I put these on the record earlier so I am not going to take the time of the House to go back into detail again. The fact of the matter is that this government has been running 90 to 100 per cent or beyond of highway expenditures in the taxes that you raise from highway users, so you are violating the basic principle that was accepted and recommended in the highway study and repeated by the Smith committee.

Now, I must digress for a moment, Mr. Chairman, to deal with a rather puzzling set of figures that have been introduced to confuse this picture. The Smith committee suggests that highway expenditures, projected over a number of years, are going to be in the range of $550 million a year. In fact, they are now in the range of $350 to $375 million a year, or at least other studies suggest that this is likely to be the range. And we are a little bit curious as to why you have this extra $200 million in there which goes far to justifying this higher imposition of taxes on highway users.

Now, I do not profess to know where that calculation comes from the Smith committee. I must say in some areas of the study I suspect they were a little bit superficial, and I suspect that all they did was to regurgitate the studies that had been done by The Department of Transport and that there was no real study in depth in this area, though they pronounced themselves in pretty definitive terms. But the automotive transport association, in its bulletin as of March 18, notes two or three areas where this figure has been built up.

They point out, for example, that the committee has included in Department of Highways expenditures for the next number of years, commuter rail projects, and they argue that it is not valid to charge highway users for the building of alternative kinds of travel, namely, commuter rail services, when highway users cannot use them, at least they cannot use them with their cars. So that this is not an appropriate figure to be put in a calculation of highway expenditures over the coming year.

Hon. Mr. MacNaughton: You can rationalize that both ways.

Mr. MacDonald: Well, if you are talking about highway users tax, it is pretty difficult to rationalize that the man who is driving the car should be paying for the building of the commuter rail.

Hon. A. F. Lawrence (Minister of Mines): Then he will be able to use the highways.

Hon. Mr. MacNaughton: May I make a point? The whole premise of the commuter rail service known as the GO transit was to conserve capital by taking "X" number of automobiles off certain freeways to have more capital to expend elsewhere. So, as I say, you can rationalize that situation both ways. Maybe the motor vehicle user should pay for some of that, because if there is a good capital saving—and I am convinced there is—they make it possible to do what has to be done in other areas where rail transportation will not work.

Mr. MacDonald: I agree that there is a capital saving; I do not think that there is any argument there at all. But whether or not you should charge the highway user for the capital saving that is made to build an alternative kind of transportation which he is not going to use, I suggest, at the moment, that it is not central to my argument, and that it is a little bit questionable.

However, let me go on to the second point. This strikes me as being just a bit indefensible, if it is accurate. The contend that in arriving at this figure of $550 million, that what they have done is to include the provincial government's expenditure on municipal roads, but not to include the revenues on the municipal level to balance it. Now, that is kind of cooking the books to arrive at what may be a desired objective; that, I think, is a little indefensible, if, in fact, it is the case and it is bluntly asserted to by the ATA. I think that it is about time that the Provincial Treasurer should comment on whether this is the case.

However, I would like to get back to the basic point. The alleged $550 million a year is a questionable one. The $350 million to $375 million seems to me to be a more realistic one, and at that level, it simply means that the highway users of the province of Ontario, with the new taxes that the Provincial Treasurer is putting on, will be paying approximately 106 per cent of the expenditures on highways.

Now, if that is the case, the contention of the Provincial Treasurer that those who are using the highways are not paying their fair share is really completely fallacious. It is absolutely wrong. They are more than paying their fair share. I can quite understand why the government kept this report hidden. This report pulls the underpinnings out from under the policy which had been implemented, and further increases in gasoline tax and all the other charges are not justified.

Now, let me be very frank with you. It also pulls the pins out, at least for the time being, on a policy which we have been supporting, namely the idea of a weight-distance tax on the big trucks. We were predicating the policy on the study that was done ten years ago, and I said many times to the ATA meeting, and I say it again here, we were going to continue to stick with that conclusion of a carefully conducted committee chaired by the Premier of this province, when or before he got into the Cabinet, and until we had alternate studies we were not going to throw out of the window the studies of the select committee report.

I will admit that we have got to reasses the whole basis of our policy and, more important, our whole validity of a weight-distance tax in the province of Ontario. But before we examine it, I think that it is about time that the Provincial Treasurer should level with the people of the province of Ontario, and level with this Legislature.

The basis of your policy is repudiated by the studies that have been taken in the government. Now, whether or not that is the reason you kept the studies, I do not know, but that is all water over the dam now.

What I would like to know from the Provincial Treasurer is what is the basis of your policy on highway revenue? Do you really believe that for whatever reason, congestion, pollution, paying for commuter services or anything else, that it is legitimate to go out and soak the highway user for 106 per cent of the expenditures put into the construction of highways in this province? Do you think that that is an equitable way of raising operating revenues? When we get some clarification of that I think that we can move forward to related considerations.

Hon. Mr. MacNaughton: Mr. Chairman. Firstly, the figure of 106 per cent, supported by the advice I can obtain, is in my opinion, wrong. It is true that the incidence of the increase in the gas tax imposed in March brought the comparative situation closer to

100 per cent. It had ranged in the past number of years in my memory, between 90 and 100; in that range. As far as the secrecy of the report is concerned, I told the hon. member when he brought this matter up before that I knew nothing of such a report until you brought it up and a copy was made available to me some time ago.

Now, in view of that, it makes it very difficult for me to comment, and I do not propose to. But if there was any suppression—and I do not know that government's failing to disclose reports is suppression, as there are many reports prepared for government that are not disclosed—I think that it is the government's prerogative under certain circumstances to decide what they do with reports.

But the information is out now, and because you share one point of view does not mean that I or the government must share another, so on that score then, I disagree with anybody who purports to say that only between 68 and 75 per cent of the costs of roads should be borne by those who use them. I do not think that that is a high enough proportion.

Not only do I say that with respect to the capital costs, the cost of maintenance and reconstruction, but with all those things that are associated with the use of the highways of the province of Ontario. I guess that it is fair to say, Mr. Chairman, that we are not on all fours in that respect. I disagree with the hon. member. I think that the user should bear a larger proportion of the cost of provision for road transportation facilities than 68 to 75 per cent that he would seem to support, from the reports.

Now, in this matter of the weight-distance tax, I could go into some facts associated with that, though it suffices to say that upon examination we found that it was very difficult to administer. There is only one province in Canada which uses it, as I understand, and that is Manitoba. Whether they are satisfied with its suitability or not, I cannot say, but nine other provinces feel that it is not an acceptable way to raise road-user revenues.

You make mention of the $550 million required. I do not know whether you are talking about an average over a period of years—and I presume that you are—but there are just as many advisors, very authoritative advisors who will tell you that after a short period of time, the expenses will be substantially higher than that. So they must be averaging today's and yesterday's cost programmes with tomorrow to arrive at that average.

I am prepared to admit to you, Mr. Chairman, and to the House that gasoline tax, and associated road-user revenue taxes are maybe straining the upper limits. However, I can say that at present the rates of taxation with the revenue that will be produced will be a very short lived situation.

Very recently we have all come to have some knowledge of the requirements of the transportation facilities in the urban municipalities of the province with Metro and down the line. The capital requirements to even start today and, on a staged basis over a period of, say, 20 years, to provide, and to pull a figure, out of the hat, 70 to 80 per cent of optimum, will create such capital demands for that purpose alone that I suggest that it should be the concern of everyone of us.

Whether we are moving too fast in terms of reaching optimum or maximum limits in this field, I do not know. Certainly the revenues at the present limitations will, in my opinion, not keep up with the demand for facilities in the urban municipalities alone, to say nothing of the rural areas that may expand and become urban as time goes on.

So it may appear that the motor vehicle user is paying a high price, and it is probably appropriate to say that we are right back to the fact that to some extent, where else would you go? Where would you seek the revenue, where would you get it? Would you increase the sales tax? That is even more regressive, in my opinion.

So I am back to this philosophy that we started off on, it must come from somewhere. Mr. Chairman, those are the only comments I can make.

Mr. MacDonald: Mr. Chairman, may I say with regard to the report itself, and I assure the Provincial Treasurer this will be my last comment on this report, I am more interested in getting into the substance in that report and its implication in terms of policy.

When the Minister says that the government has a right to withhold the report I would say that certain circumstances, it is quite likely, quite possible that the government may have an area of public policy that should be looked into, and that the report might be considered an interdepartmental or a Cabinet report. But this, is not in that category.

Hon. Mr. MacNaughton: Well, I do not know—

Mr. MacDonald: The government abuses this business of spending public moneys on reports which it uses for their own purposes and does not make them available to the Opposition, so that they, on the full details of the study, can come to the conclusion as to the wisdom or lack thereof of government conclusions and policy. I think we and the public are entitled to the benefits of the report.

Particularly so in this instance, because I remind the Provincial Teasurer that this, in effect, was a continuing study as a result of the government's hesitation in implementing the select committee report of 1958. Now, if you took six years to study it surely we were entitled to know the results of that study, and the public were entitled to know and it should not be withheld.

My second comment is that I am a little astounded at the Provincial Treasurer confessing to us that he did not know the existence of this report. Sometimes, I do not know how in heaven's name this government operates. I mean the whole issue of highway revenue was an important enough one that we had a select committee headed by John Robarts—

Hon. Mr. MacNaughton: That was before my time.

Mr. MacDonald: Before your time and you had continuing studies that went on for six years. It will be interesting to know how money was spent on that study.

I suspect it must have been a good many tens, if not hundreds of thousands, of dollars and therefore, you had a set of recommendations and detailed analysis on the whole question of highway revenue. Yet the man who is responsible for highway revenue does not even know the report existed in the government. Does the right hand know what the left hand is doing in this government? This is administrative chaos that is almost beyond belief. However, I said this was going to my last comment on this report and I leave it there.

Now let me go on to the substance and I am going to—

Hon. Mr. MacNaughton: Thank you for that anyway.

Mr. MacDonald: Enough of that, did you say?

Hon. Mr. MacNaughton: I said, thank you for that anyway.

Mr. MacDonald: Well do not provoke me because—

Hon. Mr. MacNaughton: Oh, I have no intention of provoking you.

Mr. MacDonald: —because sometimes I can go back on my own word if I am sufficiently provoked.

Hon. A. Grossman (Minister of Correctional Services): He withdraws the thanks.

Mr. MacDonald: On the question of the weight-distance tax, the Provincial Treasurer makes a very valid point that it may be that the problems of levying and administering a weight-distance tax make it inefficient from the point of view of administrative costs and that there may be rough and ready ways of raising the same revenue. There may be inequities in the rough and ready way, but the inequities are relatively small overall.

In other words, I am not completely wedded to the idea of a weight-distance tax. What I would like sometime in the future, if not today, is to get some reaction from this government on the kind of figures—and I concede that these may be a little out of date—that we were presented with in 1957 and 1958, from New York and California and elsewhere. Namely that the cost of a modern highway is almost doubled because of what you must put in that highway to be able to sustain the pounding of the big trucks.

In other words, if you just had relatively light cars running on it, your road bed could be so much shallower, your curves in the road could be that much sharper. For big trucks you have to have—well it was contended then that it increased the cost of the highway by 52 per cent and this was for 4 per cent of the traffic. Obviously, these figures are away out of date. They are 10 or 15 years old.

But what is the up-to-date calculation? Has The Department of Highways—or has The Department of Revenue which is doing studies—have they any conclusion on what is the cost of a modern highway—the added cost that must be put into it because of the big trucks! If you want to come to any final and fair and equitable conclusion as to whether the big trucks are carrying their fair share, we have got to have an up-to-date figure in Ontario terms.

Now I suggest to the Minister, sometime during the next year that we should have that. As an alternative way to the weight-distance tax I repeat that I think there are

certain categories which may be designated. If one comes to the conclusion they are not paying their fair share within those weight categories, you can charge a certain amount. That, in effect, was recommended by the select committee in 1957-1958 as an interim, rough and ready implementation of the basic objective which was unanimously accepted. Now, on the general proposition of the overall costs and how you raise the money for their capitalization and how you tie it in with economic policy and how you tie it in with such social policies as those arising from congestion and pollution and other things—I am not going to pursue that any more today.

But I would suggest to the Provincial Treasurer that having now discovered the existence of this report, that if his staff is doing studies on the equity of our tax structure, Mr. Chairman, here is an area that should be brought up to date. There are certain salient features in it that bear reexamination and prior to next year we should have an up-to-date picture on it so that we can come to some policy conclusions. Preferably, the government do so in advance so that we will know exactly what we are arguing for or against.

Mr. Chairman: Anything further on the taxation and fiscal policy branch?

The economic planning branch? The member for Yorkview.

Mr. F. Young (Yorkview): Mr. Chairman, I would like to ask the Minister in connection with this department – this section of his department—as to what the philosophy is in the economic planning branch? Is this a matter of simply surveying the province and its economic life and writing reports on it? Is it designed to look into the future a bit and help to direct the economy in some way along the line of the Canadian economic council or just what is the philosophy upon which this branch operates?

Hon. Mr. MacNaughton: Well, Mr. Chairman, I refer the hon. member to page 6 of my opening statement this morning. I will put it on the record again for the benefit of the hon. member. The economic planning branch is responsible for aggregate analysis of the Ontario economy for the Prime Minister's development programme. Its tasks included forecasting, establishing targets, identifying problem areas and analyzing major developments in significant sectors of the economy.

It will have close contact with economic research in other departments and will work closely with the taxation and fiscal policy and regional development branches.

Mr. Young: Mr. Chairman, that rules out the idea of any kind of economic planning, looking toward the future in any real sense, for this particular branch.

Hon. Mr. MacNaughton: Oh no—well what the hon. member is referring to, I think, is in a much broader context than that. I suggest that probably the whole vote we are talking about now has a relationship to what you are talking about, sir. I am just dealing with the economic planning branch which is charged with responsibilities of a somewhat more precise nature in the framework of the whole policy-planning structure.

Mr. Chairman: Anything further on the economic planning branch? The member for Kitchener.

Mr. Breithaupt: Briefly, I would just allude to my earlier comments with respect to this article on the perils of under-estimation. It would seem to me that this branch would have a strong function in attempting to resolve the problems to which this article refers and to which I have earlier referred. Certainly we are well aware that industry has misread the demand for electronic equipment, for xerography, synthetics and plastics.

Similarly, it is quite apparent the government has underestimated, not so much the demand, but the need for improved expressways, bridges, air pollution controls, airport facilities and all of the roads and devices that will make congested city traffic move more rapidly. I would like to hear from the Minister if there are any specific current studies going on with respect to attempting to resolve this underestimation problem? Just any specific items?

Hon. Mr. MacNaughton: Mr. Chairman, the answer is there are studies. There have been studies in the past, as I recall it, in various departments – The Department of Highways obviously. In the years that I was closely identified with it, it has done some very specific studies. But there is a study of a much broader nature being undertaken at the moment, Mr. Chairman.

Mr. Chairman: The economic planning branch carried?

The federal-provincial affairs secretariat carried?

The member for Kitchener.

Mr. Breithaupt: Mr. Chairman, I wish to comment only on the work of the economic planning branch. We have come to the conclusion—or at least, result—that our net increase in debt from 1961 to 1967 has gone from the sum of $526 to the sum of $677 per person and that we are even out-pacing the province of Quebec in our rate of spending.

Now it seems to me that the development of this secretariat must be to attempt to resolve problems of spending both between and among the provinces and with the federal government.

In our present situation, the deficit is increasing and it would appear to me that some of the attitudes expressed by the Provincial Treasurer concerning the requirement for increased funds from Ottawa are to a point leaning upon the federal government. One wonders whether the provincial government can be able to assure the members of this House and the people of the province that we are using our own internal resources to the extent that we should be.

Our complaint is that the federal government should be prepared to bail us out of some of our problems and to give back to certain areas of tax. We almost, on occasion, use this weapon of being bailed out as a form of attempting a certain embarrassment on the federal authorities.

I am wondering if the Minister would comment as to how he sees the federal-provincial affairs secretariat attempting to resolve in any specific way the conflict for sources of funds between the provinces and the federal government.

Hon. Mr. MacNaughton: I doubt very much, Mr. Chairman, if that is really the area of responsibility that has been assigned to the federal-provincial affairs secretariat. The problem more properly, I think, rests with the Provincial Treasurer himself, and one of the members already heard me expound at some length on the attitude of the Provincial Treasurer and indeed the government in this respect.

It is true that the debt of the province has been rising. I think that is quite natural in a developing jursidiction. At the same time, we have been able to hold our net debt within fairly consistent limitations over a protracted period of time. As a matter of fact, this was commented on rather faithfully in a journal that I read not too long ago. It commented upon it in rather praiseworthy terms, but I would say to you, Mr. Chairman, and to the hon. member, that we are trying to keep an eye to the future. You heard me mention a few moments ago the extent to which I anticipated the rising capital costs of providing transportation facilities for our urban municipalities, and the extent to which we see that obligation increasing in very, very rapid terms.

This is only one of the similar situations in a jurisdiction that is growing as fast as Ontario, so that I really do not want to thresh that straw all over again, Mr. Chairman. The only thing I can do is repeat what I said to the hon. leader of the Opposition, and the hon. leader of the NDP, about all that I could resort to at the moment in terms of the philosophy of the Provincial Treasurer and the government.

Mr. Chairman: Anything further on the federal-provincial affairs secretariat?

Regional development branch. The member for Peterborough.

Mr. W. G. Pitman (Peterborough): Mr. Chairman, I notice that this particular branch takes up about $1.5 million of the Provincial Treasurer's Budget, and in view of the total Budget of $281 million I am at a loss to know whether this is really sufficient for the important item which is encompassed by this particular vote.

It seems to me that a good part of what the Provincial Treasurer has been saying about the need for tax reform, relates, at least in part, to this problem of reorganizing our municipal institutions across the province. I think he would agree that there are two problems here. One is certainly in relationship to the federal government, at the top, and also a new relationship and a new division of taxation sources and taxation resources —let us put it that way—with the municipality.

I would like very much to discuss for a moment, this problem of regional development in the knowledge that it is really not the Provincial Treasurer's responsibility of what has gone on before, but I read very carefully the speeches of the Prime Minister, his 1966 statement on design for development and his recent one on the blueprint for development. I am afraid that although we keep getting the same words, no greater meaing seems to emanate from these words. I wonder if there is not some structural impassé here. This is what I would like to prod a bit, in relation to what the Provincial Treasurer's plans are in this area; to discover

exactly where we seem to be going. Now, as I say, the words sound right, and I think I am reading the latest emanation from the Prime Minister, which was just approximately a month ago when he said:

> Our regional development programme cannot be a passive philosophy, it must be active; it must be dynamic; it must be alive and responsive to the changes in our economic, social and technological light, which dictate and provide the opportunities open to us to enjoy in the years ahead. We must be aware of the kind and shape of our development; we must possess information about the forces which are dictating change in our communities.

I suppose the Provincial Treasurer would say that the latest work being done by the various development councils indicates a concern in this area. "We must make plans." This is where I am afraid I find myself at a loss. We must make plans which serve and complement these changes, adapt them to our resources, and modify them not only to the needs and desires of the people of Ontario, but to what is practical for immediate action and what must await further and economic growth.

Now he goes on to point out in that same speech, of the existence—and he had done so before—of the organization, and he mentioned we have two choices: "Helter-skelter, *ad hoc* development, which consumes valuable land and resources, parches our throats for a lack of water, engulfs us in pollution and strangles in a maze of hastily constructed roadways. Or we can have orderly planning which will enhance and enrich the daily life of every resident of this area. The government of Ontario has rejected the *ad hoc* approach and is doing its utmost to ensure orderly growth."

Well, Mr. Chairman, I say I cannot as yet see where this planning and this growth is taking place.

I notice that the Prime Minister states that after these reports—and we have reports, and we have had reports, reports and reports on various municipal areas and various aspects of the provincial economy—these reports, I take it, go through this Cabinet committee? I think he calls it the Cabinet committee on policy development, which includes a goodly number, I would imagine, of the gentlemen who occupy the front benches with the Provincial Treasurer.

May I just ask a simple question before I go on? How often does this Cabinet committee meet? What does it do? Is it essentially a policy committee? Or does it carry out some form of administrative activity as a committee of the Cabinet?

Hon. Mr. MacNaughton: Mr. Chairman, it meets at the call of the Prime Minister, who is the Chairman. I would think it meets quarterly. It is a policy committee. Policy directions that reviews, I suppose, the progress that is made by the branch and the regions as components of the programme from time to time, and lends its policy approval to any changes that may develop in the format. There have been some, but it is strictly a policy committee.

Mr. Pitman: The very fact that the Minister indicates that they lend their support to changes that are taking place within various departments means then, it is partly administrative too?

Hon. Mr. MacNaughton: Mr. Chairman, as the administrative procedures would be associated with implementation of the policy, I think that is inescapable. Yes.

Mr. Pitman: I wonder if I could go on to ask, if this committee meets every three months, is it actually reviewing the activities on each of the regional development areas? Is it actually looking at the plans of each of these various departments that are concerned with planning, regional planning? Or is it developing any kind of a provincial development policy? Is it an *ad hoc* meeting-by-meeting approach? A kind of an ambulance service? A kind of a holding of the fort? Or is it really a committee which is developing what can be called a provincial development policy?

Hon. Mr. MacNaughton: Intra-provincial development policy would be the responsibility of the Cabinet. The terms of reference that were assigned to the committee are as follows:

(a) The overall long term and short term goals of governmental activity in relation to the economy of the province.

(b) In the general outline of budgetary policy priorities and expenditure programmes levelled at taxation.

(c) Intergovernmental fiscal relations.

(d) New significant programme proposals.

(e) The co-ordination of government policy with respect to the regional development of the province—land use, conservation, and all matters bearing on natural resources.

(f) the co-ordination of employment and manpower policy.

I would like to suggest, Mr. Chairman, these are what I would think would be regarded as appropriate terms of reference for a policy committee.

Mr. Pitman: Well, I think that is being very helpful. I thank the Provincial Treasurer. I wonder if I could ask more about the advisory committee on regional development? I take it these are top civil servants who are passing on to the Cabinet, I would suspect, more or less the agenda every three months that they would then consider. Is it top civil servants? And how often does it meet?

Hon. Mr. MacNaughton: Yes, the administrative committee, if that is what we have called it, the departmental committee, meets regularly once a month, or more frequently if, in the opinion of the chairman, it is required. Now, it is the administrative matters that are considered at that level.

Back to your previous question, in association with that latter one, if I may. When the ten regional development plans are submitted, the committee must meet frequently to prepare policy. Meanwhile, The Treasury Department and the administrative staff which you made reference to latterly, is co-ordinating all the time—if that is a good way to put it—

Mr. Pitman: One of the things I find rather interesting is that all these ten plans will come before the advisory committee and then will come through the advisory committee and through the Cabinet committee.

Hon. Mr. MacNaughton: Where policy decisions are required, yes.

Mr. Pitman: And from this you expect to have a provincial development plan which will then be initiated. Mr. Chairman, in a sense the planning is already going on, and I am wondering to what extent both the Cabinet committee and the departmental advisory committee are actually taking hold of what is going on. I am sure the Minister is well aware of the fact that, in a sense, I think the Minister of Education has already cooked the books so far as the kind of administrative unit that you will have. I see the Minister of Correctional Institutions is shaking his head—

Hon. Mr. Grossman: It is just not the hon. member's kind of language. Cooking the books, it is not like him.

Mr. Pitman: Well, perhaps I might rephrase it. He has already drawn up the provincial policy in such a way that it would be very difficult to change from essentially a county system. In fact, I used the Minister of Education as an extremely malleable Cabinet Minister who is willing to withdraw amendments and allow amendments, but he suddenly dug his heels and held on because this was obviously where we are going to stop.

An hon. member: Government policy.

Mr. Pitman: This was the truth. I am sure the Minister would also admit that the Minister of Trade and Development is, day by day, creating and planning this province's development and its future. We may agree or we may disagree with the priorities which he has exerted, and I am wondering to what extent this Cabinet committee and the advisory committee are actually carrying on a holding action, day by day, until we find out where we are going. Because it would seem to me, Mr. Chairman, that no decision has been made as to whether we want to develop; what kind of an urban society we want to develop; will it be satellite cities; or growth centres?

Yet I would say that many of the departmental Ministers occupying the front benches with the Provincial Treasurer are making the decisions for him in the sense that the money is being placed in certain areas without any particular decision being made as to what the future is going to be. In a way, I would suggest to the hon. Minister that The Department of Municipal Affairs is carrying on a planning action right now and it is doing it very effectively. I think the community planning branch has gone into certain areas and has set up a kind of a regional official plan for an area which could be as large as a county.

Hon. Mr. MacNaughton: Mr. Chairman, regarding his reference to The Department of Municipal Affairs, in terms of planning may I say that the regional development branch and the planning people of The Department of Municipal Affairs meet every week with closest liaison possible.

Mr. Pitman: I am delighted to hear that because I always had a feeling that they were going in two opposite directions in some cases—you sort of did not talk about regional development over at The Department of Municipal Affairs, you might get thrown out the door onto Bay Street. But you could

talk about it over in The Department of Trade and Development and over at the Minister's office. I am so glad to hear that there is some inter-relationship here.

But I do suggest, Mr. Chairman, that we on this side would like to see at least some kind of a provisional provincial plan so at least we know where this thing is going. And I think as well as that, we need some guidelines for the development councils who are trying to carry out these studies. I do not think they really know what the province is up to, what it really wants. I would suggest more guidelines and a more provisional approach or goal; I think the setting of goals is a part of the planning procedure, and I would just leave that with the Minister on this particular vote.

Hon. Mr. MacNaughton: Mr. Chairman, I find it impossible to quarrel with the hon. member and I guess it is fair to say that because I can say to him, quite honestly, that is what we are doing. We are now in possession, I guess, of all the inventory material that we have worked rather painstakingly for a year or more to obtain; we are now, for all practical purposes, in possession of that. The next step will be—and I hope it is not a long drawn-out affair—an evaluation of all the data, and the data ranges over a very, very broad field.

I think probably I may have some detail on it here, but the hon. member would know the nature of the data that we have been inventorying with respect to the different regions of the province. Now that evaluation process is underway, and I think, really, what I am relating to him, Mr. Chairman is an explanation of implementation of a plan that you, in fact, are espousing.

I am quite prepared to say, without being critical, that there have been some *ad hoc* elements in this programme. And we are trying, by inventory process and data accumulation and all that is associated with it, to bring it together, to formulate a provincial plan and then, to some extent, to assign to the regional councils a programme which is in keeping with what we have discovered about each individual region.

Mr. Chairman, then I think we are starting and are on the right track. I hope, Mr. Chairman, that I am expressing what the hon. member was thinking about—because I think I am, to some extent. I might say that I had not intended to put this on the record but when we were in Europe a couple of weeks ago we found that there is nothing in the way of what you might call a new problem. Problems are similiar by characteristics wherever you go, and it was interesting to pick up the London *Times* in two different issues and read comments which might have been taken from *Hansard* in this House or any one of our daily papers.

But, indeed, they encouraged us to believe that while we are maybe taking a little longer, we are getting on track with this thing, hopefully. One of the comments that we noticed, and it is abbreviated near the central agency, must provide economic and physical plans that the local authorities are to have a framework within which to work. This we read in the London *Times* as well as the problems associated with regional development in England. So I simply say this is what we have been endeavouring to do over recent months; to put ourselves in that position. And I can say to the Chairman, and the hon. member, that we are getting very close to considering policies with respect to effective implementation of appropriate programmes, if that is the way you put it.

Mr. Pitman: I am wondering, Mr. Chairman, if I could ask one or two questions. Is there any hope of increasing the municipal responsibility at the lowest level because now I realize municipal councils do appoint representatives on the regional council? I think that as the plan comes closer to some kind of reality, there is going to be a desire and a need to have a very close relationship between the municipal councils who are, in fact, responsible, they are democratically elected. In fact, it might even be rather a worthwhile suggestion that perhaps the members of this House could be added to some of these regional councils at some point along the way, and members of the other House at the national level. But I think, perhaps, a little bit more democratic emphasis at the lowest levels in order to get a more effective play-back and in order that this is not a hothouse kind of development plan.

Finally, I would like to ask if there is any timetable which the Minister could present to the House as to when the provincial plan might be presented to the House?

Hon. Mr. MacNaughton: We are shooting at 1969, Mr. Chairman. There is a rather substantial process of evaluation to be completed yet. These inventory studies that I made reference to are just nicely in the hands of the committee. We are shooting at this for 1969. I am prompted to make another observation to the hon. member. I do not know whether

it is a sensible one or not, and I have already expressed myself this way.

One of the problems with the regional councils, Mr. Chairman, is that they are sandwiched between two elected bodies. It becomes apparent that they are dedicated people; there is no question about it; they work hard and they work zealously and they have done a great deal of good work; but they encounter the criticisms of the local jurisdiction on the one hand and on the other they have to account to some extent to the provincial jurisdiction. Now, we recognize these problems. Just what can be done to smooth them out, I do not know. They are there, and we recognize it, and I am sure the hon. member does.

Mr. Young: Mr. Chairman, I would like to enquire a bit further and ask the Minister about the data that is being assembled now, ready for some resolution within the next year or so. Is it his intention, that out of this data, will come a land-use plan for the province of Ontario, will come the general boundaries perhaps for new regional municipal governments? We have the suggestion of the Smith report in this respect, boundaries which may not be as good as they might be according to some experts. But I would think that if this thing works out, that the economic councils, the regional councils as we know them now, might well go out of business. Their function and the power of the present municipalities could be incorporated into new municipal governments on a regional basis. Would this be the kind of thing that the Minister sees emerging here?

Hon. Mr. MacNaughton: Mr. Chairman, no, I would hardly think that the regional development programme on the one hand and the matter of regional government on the other are that closely related. There may be areas where there could well be a course of consultation, but this was not the purpose for the establishment of regional development councils or the regional development programme in the first instance. As far as I am aware, Mr. Chairman, there is a rather substantial difference between regional government as it is contemplated or proposed and regional development although, as I say, they may come together once in a while. But I do not think they are closely related.

The evaluation stage that we made reference to, which is just nearing completion now —and I do have some detail that may be of interest to the hon. member for Peterborough —is we are tracing the trends and growth of population in primary, secondary and tertiary activities and other relevant factors, examining township by township, where possible, and in other terms where data are not available, with specific reference to the period 1951 to 1981. On the basis of the first two stages, specific detail plans for the province and for each region will be initiated in 1969. So, I did say early next year—and this seems to confirm it here. We are on schedule with the programme. The inventory of the departmental programmes and policies was completed early this year.

A pilot study to evaluate economic trends in the midwestern Ontario region was completed early in the year. It will be finished late this year or early next year. And for the northwestern region, the evaluation process will involve a detailed study under the ARDA and FRED arrangements. Of course, I have already mentioned that the Niagara escarpment study is nearing completion. There is much more detail on it here, but this is the type of work we are doing in conjunction, I might say, with the universities—which have been assigned some specific research projects associated with this.

Mr. Sopha: Which universities?

Hon. Mr. MacNaughton: Well now, the University of Western Ontario, I guess, has one of the major research projects—the development of a regional data bank. It is quite an assignment for the University of Western Ontario. As a matter of fact, I am just informed that all 14 universities have been given an assignment of one kind or another related to the information we are trying to accumulate.

Mr. Sopha: May I ask the Minister, to what extent does this branch seek our scholars, academic people who are carrying on research into various aspects of our economy, our natural resources, and the geography of our province, and so on? Is there any effort made to seek them out and to assist them in their programmes of study?

Hon. Mr. MacNaughton: Yes, Mr. Chairman, we have an advisory committee with the universities for the very purpose to which the hon. member for Sudbury has made reference. We have a committee that deals with the universities on this very matter—that is, searching out the student talent and so on that the member made reference to.

Mr. Sopha: Could the Minister give me an idea of how much money is available for this activity?

Hon. Mr. MacNaughton: Yes, I think I can. The member may have to allow me a moment or two, but I think we can try and break it down. The amount, Mr. Chairman, is $150,000 per year at the present time.

Mr. Sopha: How does one go about getting it? By contacting the Minister? How does one go about applying for assistance? By direct contact with the Minister?

Hon. Mr. MacNaughton: They can contact either the university or the regional development branch. Either way.

Mr. Sopha: If one does not have any success with the branch, may one approach the Minister?

Hon. Mr. MacNaughton: Oh, the Minister is very approachable, yes. That does not guarantee success—but he may be approached.

Mr. Sopha: I see. Now, I understand there was a migration from The Department of Economics and Development as it then was, to The Department of the Treasury of certain economists. May I ask whether that migration included persons in the applied economics branch of the office of the chief economist of the Ontario Department of Economics and Development? And are they now to be found in this department?

Hon. Mr. MacNaughton: Mr. Chairman, I believe I explained earlier that in December last the major proportion of what was then the chief economist's branch in The Department of Economics and Development moved to The Department of the Treasury. But a fair number of staff were left. As I recall, the applied economics branch was left there. Not all the staff was removed, but something in the order of 69 employees came with the chief economist from the one department to the other.

Mr. Sopha: If that is so I want first to comment about that reference the Minister made to the study of the ARDA programme. I had not heard it called that before. That study, I suppose you refer to, is the one announced by the Minister of Agriculture and Food (Mr. Stewart), and it will spend, if memory serves me correctly, about $140,000 in northwestern Ontario. I should say in passing that that will enable it to just about count all the cows and perhaps some of the bulls in northwestern Ontario. By the time it has that done, the $140,000 will just about be used up.

I might say as modestly as I can, Mr. Chairman, that I have done considerable study of this area. I had hoped to have something to say about it in depth before the session ended, but really it is pointless to fight the heat of high summer, and I am relieved to have convinced myself to allow that to wait until fall.

The indictment that I want to make about lack of study of the northern part of our province is a serious one. Firstly, I should like to say, upon reflection, I am committed to the belief that this method, adopted by this branch is wrong. That is the method of arbitrarily dividing the province into neat packaged areas, and studying the areas as separate, or disparate, if you like, regions.

Reality tells one the facts of life of living in Ontario—tells one beyond peradventure, that one must consider the economic base of Ontario. What does the wealth of Ontario consist of? That leads naturally to the next subject of enquiry which must be, of course, what is the optimum utilisation of this wealth on behalf of its people?

Looked at in that way, it has nothing to do with nice, neat geographic areas, which have been defined in the regional development branch. Rather, one becomes obsessed with the notion—are our mining resources, for example, being used in the best interests of our people? Of course, they are not confined to any one geograhpic region. They are to be found in what is called northeastern Ontario, northwestern Ontario, some of them in southwestern Ontario, and so on. The attitude of this branch is best revealed in the publication: "Northeastern Region Ontario, Economic Survey, 1966." They managed in that survey—which was little more than counting telephone calls—to get some conclusions about the northeastern part of Ontario, where I have the honour to be born, in the place which was the forerunner of mining development in Ontario, Cobalt. When one considers how mining activity then spread out from Cobalt and Cobalt exported experts in mining to all parts of Ontario, and Canada, and indeed the world, and when one contemplates the tremendous wealth in mineral resources that has been produced in northeastern Ontario, then one must indeed be surprised that this—what was then called the applied economics branch of the department of the chief economist—could get its conclusions about northeastern Ontario on one page. It is not necessary to read the whole page. All one has to do is to read the first and last paragraphs to get the complete sense

of distillation of the efforts of this branch in respect of that important area.

On the first page of the study, they refer to northeastern Ontario—

Hon. Mr. MacNaughton: Mr. Chairman, may I say, in agreement with the hon. member, that we have stopped that type of study to which he is making reference for some of the reasons that he has enunciated. We recognize that report in 1966, and this is 1968.

Mr. Sopha: That is not ancient history.

Hon. Mr. MacNaughton: No, but it might save you a lot of breath.

Mr. Sopha: It is not ancient history.

Interjection by an hon. member.

Mr. Sopha: I am delighted to hear that, but I have not heard of any sequels to this report. I pay particular attention to developments in this area.

Hon. Mr. MacNaughton: Well, we are not writing reports like that any more.

Mr. Sopha: Well, I am glad to hear it. But I would still like to put into the record a few words of the report, because they are a revelation. I quote: "The northwestern region of Ontario, the treasure chest of Canada, comprises the six districts of Algoma, Cochrane, Manitoulin, Nipissing, Sudbury, and Timiskaming".

That is the first sentence, to which I say "Amen". "The treasure chest of Canada", and yet the indictment of this government, in all its 25 years of office, must be its total failure to utilize that treasure chest in the establishment of industry in that region of northeastern Ontario, where productive use is made of the raw materials. Almost a total absence, of course, of any form of secondary industry, in the utilization of the rich ores that we have produced.

To be specific, why ought there not to be, in northeastern Ontario, sir, a wire drawing plant? This is a fairly simple operation I am told, when one considers the tremendous amounts of copper wire that such enterprises as the Bell Telephone Company uses? What an indictment of 25 years in office that there is not even that type of industry in northern Ontario. The many variegated forms of industry that could use the products of our forests. We have to travel the area to observe, in an almost cursory examination, the absence of that type of secondary industry related to the great wealth of forest products that we have.

It is not necessary to elaborate the obvious in this regard, but I can say to the Minister, that one becomes aware, in recent years, of deep stirrings of anxiety in the people who live north of the French River that our heritage is not being used. Every time that they meet, in the multiplicity of associations—mayors and reeves, development councils, chambers of commerce—and I remember the northwestern one, wringing their hands in anguish to express their attitude toward that failure to establish industry. Why not a steel mill at the Lakehead, I ask perennially? Why should that steel mill, that is going next to Nanticoke and is in great danger of polluting Lake Erie even further, not to be established on the shores of Lake Superior at the Lakehead?

Well, the anxiety that I referred to, of course, was reflected in the fact that when this government sought the test of public confidence, October 17 last, the only two Cabinet Ministers who were repudiated came from that part of the province. That could not have been other than an epitaph on their failure to protest here in this House, the failure of the government to embark upon the proper utilization of the great wealth we possess in the northern areas of the province. Until this government recognizes that the real wealth of Ontario, apart from its people who are the first wealth, is in its natural resources, and the future of the province will depend upon an intelligent development of them, by and for Canadians, then the outlook must remain hopeless.

That great east-west bridge north of the French that stretches from Manitoba to the Quebec border, will be what it has been throughout the ages; a place where men who are hewers of wood and drawers of water reside, and they obligingly, under the aegis of this government, help foreigners carry away the resources to create jobs elsewhere. The attitude of this branch is summed up in the last sentence of its conclusion on page 138 of this report, which I am glad to hear the Minister say has gone out of print. I hope copies in a few years will not be able to be found, they will become collectors' items. But here is what it says:

> It is anticipated that intensive development of these resources, both in the field and factory, will continue, and that the tourist industry will expand as the region is opened up with the building of new roads.

Now that about sums it up. The tourist industry! In other words, we are going to continue to do what we have done in the past, we are going to help others cart the resources away and we are going to turn what remains into a little Switzerland. It will be a little Switzerland, where the verdure of forest and the soft and sibilant flowing of waters will not disturb the summer evening. Then we can sell this to whoever will come to see it. Well, the pity of it is—the real tragedy of it is and, incidentally, the tragedy, as I pointed out, and I am going to illustrate at a later time, if the Lord preserves me—the tragedy of it as that in three of the—

Mr. MacDonald: Another of our interminable speeches from the member who interrupts others.

Mr. Sopha: Well that is very interesting. The last time I had something to say about this, my friend said much the same thing, and then the next day I went up to the Lakehead and made the same speech in the Lakehead. Well, I had better ask the member—is he for the present use of our resources? Let us hear from him, is he for that?

Mr. MacDonald: My colleague put it on the record this morning.

Mr. Sopha: Is the member for that? Or is he against it?

Mr. MacDonald: I am against it.

Mr. Sopha: Well, why does the member interrupt someone else?

Mr. MacDonald: Because the member is talking in terms of—

Mr. Sopha: I have raised this on many occasions before. Apart from that interjection, the tragedy of it is, of course, that in three of the districts of northern Ontario and I wish the people of this province were aware of this fact. In three of the districts—Rainy River, Manitoulin and Timiskaming—there you have one in the far west, one in the centre, one in the far east of the area, the population is declining.

More people are leaving those areas than are coming or indeed, there is net migration over and above the natural increase, that is taking place.

Now, that fact alone, such as it is, is testimony of the 25 years of neglect of this government in the proper and intelligent rational development of the north and its resources. The sad truth is, of course, that this government, notwithstanding its studies, like this about which the Minister is so embarrassed that he is discontinuing it—

Hon. Mr. MacNaughton: I was not embarrassed.

Mr. Sopha: Well, you tell me you are discontinuing it. You must be embarrassed about it.

Hon. Mr. MacNaughton: I say we can always improve.

Mr. Sopha: I am embarrassed about that study myself. That it is a study about my province. As I say, it counts telephone poles and little else.

But the truth is that as the economy of the north declines out of the failure to use our resources, the megalopolis that stretches from the Niagara peninsula across the north shore of Lake Ontario eventually will encompass Barrie. It grows apace.

Let me just make this final comment. One of the *sequelae*, one of the fallouts of this growth of megalopolis, gives some validity to the persistent complaints of my friend from Grey-Bruce (Mr. Sargent), and that is, as the city gets bigger its demands upon the rest of the province become more emphatic and more tenacious. To satisfy the needs of the megalopolis, and I am one of those who does not deny them anything, it means that the other parts of the province have to sacrifice what might rightfully, in a rational planning programme, be theirs.

Now that, of course, is illustrated in the silly statement that the Minister of Highways (Mr. Gomme) is prone to make in various parts of the province when he talks about road building or the expenditure on roads being a reflection of so much *per capita*.

He goes to one area and he says: "You get so much *per capita* spent here," and he goes to another, seeking to prove by odious comparisons in dollar and cents terms that they are not hard done by, quite oblivious to the fact, of course, that in order to ascertain the real nature of the situation he would have to look at what those roads are used for in the total economic picture.

Finally, Mr. Chairman, our complaint has been a perennial one here. I do not dwell on the many particular aspects of it, but as long as I am privileged to be a member of this House I will continue to draw attention to the failure to use our natural resources at home. Already there are rumours—the Minister of Mines will no doubt enlighten us in

due course—but one hears rumours that the Texas Gulf Sulphur Company has all but decided to establish its smelter in some other province instead of—

An hon. member: Never!

Mr. Sopha: Oh yes! One hears rumours that the decision has been made, that it is to establish elsewhere. But we shall wait hearing from the Minister of Mines.

The real point is that time runs against us because every ton of ore that is taken out of the ground in northern Ontario and shipped elsewhere to provide jobs means that in its irreplaceability we are failing here at home; our people are being failed by the government in the best use of our resources for the development of our own province, our own country for the establishment of a much bigger population. Indeed, in the carrying out of our moral responsibility in sharing the wealth which a merciful providence has endowed upon us with less fortunate people in the world.

Mr. Chairman: Anything further on the regional development branch?

Mr. R. G. Hodgson (Victoria-Haliburton): Mr. Chairman, I want to say a word about regional development councils because we have one which covers my particular riding and through the two counties of Victoria and Haliburton that is centered in Peterborough. Many of my councils find themselves 60 to 70 miles from the centre of where the meetings are held.

It seems to me that if you are going to have local participation by the municipal council, you are going to have to devise a way for these councils to be put on the same footing as the council which can walk in the door. One way you might do that is simply by having mileage allowances through grants to these municipalities to allow them to participate.

We have the bureaucratic group of regional development studies that are being made by the local regional foresters and district highway engineers and what have you, but we still have not got a real good system of cataloguing the resources of a particular area to do a job for those people. I do not believe that you are going to find that Toronto-made policies are going to solve the difficulties for these people. You are going to have to have those local people tell you what they think is the right and proper policy, and then you are going to have to work it out with them, a just policy that will be applicable.

If you ask local people what is the main need, in my particular area they will tell you it is highways. Our population is dropping off, as the member for Sudbury has mentioned, and many of his ideas and suggestions I can sympathize with because I live in a very similar area.

It seems to me, that in this province where you have tourist development, you have local population drops. For a period in time I think one goes hand in hand with the other. Also, you have the problem of education costs and things of this nature going along with that sort of situation, because the grant system of The Department of Education does not seem to fit in with tourist areas.

So we have great problems and we look for the regional development councils to help us with them. I do think that under this new Minister responsible for this, that we should expect a real shakeup in effort in the next year or two.

Mr. J. B. Trotter (Parkdale): Mr. Chairman, just one item that was referred to by the hon. member for Sudbury. I thought possibly the Minister may give us more information on it, and that is the location of the smelter of the Texas Gulf group. Would the hon. Minister have any information on that?

Hon. Mr. MacNaughton: No, Mr. Chairman, absolutely no information whatsoever by this Minister.

Mr. Chairman: I think it was suggested that perhaps the Minister of Mines might be questioned when his estimates come forward.

Mr. Trotter: Well, it is true. I think it may be more appropriate that the hon. Minister of Mines could answer it, but when we are dealing with this particular item of regional development, I think it is highly important that the Treasury would be concerned with it, because as much as the hon. member for Victoria-Haliburton may say, that we are going to develop these various regions, we have to ask the local people what they want. But when we think of a location of the smelter by a large firm, these decisions are really made outside this province.

This is a problem we are going to have to face up to, and it is quite possible that we will lose the smelter over no control of our own, or a lack of pressure brought by the province of Ontario. If we are going to have regional planning, much as we want to consult local people, and much as their opinion is important, I feel that unless the powerful men in the province, such as the Treasurer

of the province of Ontario, bring the full weight of the government out of the province and into the boardrooms of these large firms, whether or not they are located in this province, or in Canada, or beyond our borders, we are going to lose out on a number of these large items.

The location of this particular smelter that was mentioned is of utmost importance to the province of Ontario as a whole, particularly in the mining industry, and I would hope that the hon. Treasurer of the province looked into it, because we do not know if the final decision has been made. The odds are that it is going to Quebec, and if this is going to happen, it is certainly a very heavy loss, and I hope that the Treasurer will look into this matter and see to it if there is still some hope the province will get it.

Hon. Mr. MacNaughton: Mr. Chairman, certainly I did hear some passing reference to the rumour in the House a matter of a week or two or three ago, but I can repeat what I said, I have no knowledge, absolutely none. I cannot help but agree with the observations of the hon. members and it is highly desirable to retain it here and I am averse to see it go outside of this jurisdiction, there is no question of that. I would like to think that the government is going to do something positive, to consider investigating the rumour. I do not know, but I would like to be one that would say that the matter would be very carefully looked into.

Mr. Trotter: Mr. Chairman, is this not a particular item for regional planning which is of utmost importance? Not only the Minister of Mines, but particularly the Provincial Treasurer and the Premier of this province should be highly informed, because we can talk and theorize until we are blue in the face about regional planning, but when you get down to a specific item like the location of a smelter that is going to mean untold millions of dollars to a particular area in which it is located, it is of extremely vital importance.

This is the whole basis of regional planning, and it is obvious from the answers and the remarks by the Provincial Treasurer that he is not familiar in detail with this situation. I think it is a number one item, particularly for the mining industry, and particularly to the economy of the province of Ontario, but a lot of our talk and theorizing of regional planning is just wasted and I feel, on this item, that the government seems to be wasting its time.

Hon. Mr. MacNaughton: Mr. Chairman, I would not allow a statement such as that to go somewhat unchallenged. We feel we are not wasting our time. We feel, as I explained when I was debating the subject with the hon. member for Peterborough, that we have very gainfully employed our time with respect to the matter. I simply rose earlier to re-affirm that I had knowledge of the rumour he is making reference to and I commented on that thing specifically, but I would like very much to believe—and if I have not made this case to the House then I have been remiss, because I have attempted to make this the case—that we are staging a new approach to an old programme here that, I hope, would envisage the very things the hon. member has made reference to. So I just simply will not permit it to be said in unchallenged fashion, that we are wasting our time. Mr. Chairman, I live with this programme day by day, as do the people in the department that I administer, and I say to you I know we are not wasting our time. You can only imply that we are wasting our time. I say, sir, we are not.

Mr. Trotter: You do not know anything about it.

Hon. Mr. MacNaughton: I say, we are not. That was my earlier response and I make one more reference to this rumour. I said, and categorically denied, any knowledge of the rumour. Now that is not to deal with the other side of the coin. I am dealing with it now, Mr. Chairman.

Mr. Trotter: You can learn more from the *Financial Post* than you can learn from this government.

Hon. Mr. MacNaughton: I want to keep cool. Maybe I will have to take my coat off. I want to keep cool. It is not quite good enough, Mr. Chairman, for every observation that comes from the other side of the House, to imply that we are wasting our time. I assure you we are not. It is less than objective, but it comes readily from the mouth of the hon. member for Parkdale.

Mr. Nixon: Mr. Chairman, the member for Parkdale was—

Hon. Mr. MacNaughton: Everything is gloom doom. You must live in a world of gloom.

Mr. Nixon: The hon. member for Parkdale, Mr. Chairman, was putting before the House and the Minister, the hope that the development in the north would come about,

and I was glad to hear the Provincial Treasurer agree. At the same time, he was not able to give us any more information, but there is a development that has been decided, and that is in the Nanticoke area on the north shore of Lake Erie, associated with Ontario Hydro and the Steel Company of Canada. There is a large area with land set aside, the options have been taken up, and there will be a new steel mill development there.

I was interested in listening to the presentation by the hon. Minister of Highways, sir, about the plan for new roads in that whole area. They did not seem to be related to the steel mill, and when the question was put to the group presenting the plan, asking if, in fact, they had amended their views of the long range plan with regard to the decision that had been taken that the steel mill would be built, I was surprised to hear that they had not been amended nor changed in any way.

Now here is something that is about to happen. There is no guessing about it. The land is delineated. The Ontario government is involved in Hydro to an extensive degree and I would suggest to you, Mr. Chairman, that that development is going to change the community, made up of three or four counties, in that general area, and I want to know specifically what the design for development is going to do to assist the planning areas along the north shore of Lake Erie, and in the Haldimand-Norfolk region particularly, with what is eventually going to be a new city associated with modern industry.

Hon. Mr. MacNaughton: Mr. Chairman, I am conscious of this development. I am equally knowledgeable that the Lake Erie regional council together with the Niagara development council has entertained discussion. We know what is going on with respect to roads. Let me draw a little parallel if I may. There is a pretty well advanced transportation study plan in the areas surrounding St. Thomas. Certain road projections were considered south of London for St. Thomas, sometime before Ford of Canada decided to establish at Talbotville—and that road patterning was changed, not changed to render any less effective the proposals that were embodied in the original plan, but they were changed to encompass the needs of Ford at the same time, and that has all been done.

Again, I think I can assure the House that without any doubt the road patterns of the areas that will be affected by the new steel plant will be revised, notwithstanding that there is a plan. They will be amended to take care of the added traffic density that will develop and the number of people that will commute back and forth. It goes without saying that these situations will be provided for, and I am confident that they will.

I can tell you that both the Lake Erie and the Niagara regional development councils are now involved in this matter and they will be submitting their advice to the central committee. We are working together on these matters. But our whole general approach to this now is to the extent that these regional matters, as far as smelters, plants and so on, will be encompassed at least and the expressed needs of the area will be delineated on a basis of the data research and accumulation programme that is nearing completion. That is the purpose of it in any case, Mr. Chairman. I like to be optimistic enough to think that it is going to go a long way to help.

Now, one more thing. I would say to the hon. member for Sudbury that we are not married to the present regional boundaries. I can assure you, at least, I am not. They were convenient for administrative purposes at the time. They are still reasonably convenient but they may not represent good boundaries. We can and certainly will give some thought to adjusting these boundaries to make them more effective and more useful for not only administrative but development purposes. We are not wedded to them at all. They are convenient. The change may well be the result of the studies that are underway.

Mr. Nixon: Mr. Chairman, to return to the point I made a moment ago. The best the Minister can give us is that he is sure that the road plan will be amended. He is sure that the Lake Erie region and the Niagara region councils will be giving advice to the central committee. Now the Minister is surely aware that the land has already been bought; that the hydro station is under construction for the steel plant there; that already the cement mixing apparatus has been established; and there is a lot of competition to buy surrounding land for further extension. If the Minister is going to tell us in this House that he is still waiting for advice from the two regional councils that have some jurisdiction here, then I would submit to you that he might as well advocate his authority because if there is going to be any planning it has to be done—well, it should have been done, so that this new centre would be established and be serviced as far as the housing is concerned, that is going to be needed for the people who will be employed there and

all of the facilities for an entirely new community. If you have not done anything now, it is too late.

Hon. Mr. MacNaughton: Can we not leave some of that to the local authorities?

Mr. Nixon: Certainly, I would leave some to the local authority, but if there is any point in having a central authority, you should at least be aware of what is going on.

Mr. Chairman: The member for Prince Edward-Lennox.

Mr. N. Whitney (Prince Edward-Lennox): Mr. Chairman, under this regional development you know it has been my understanding that the federal government created something of this kind a few years ago. They called it "depressed areas", and they gave grants to certain areas to help establish industry and one thing and another. Now back in 1963, my Liberal opponent referred to these as repressed areas and I could not possibly conceive, nor could any of my people, that many people of my riding were being repressed, but nevertheless, that was the argument he used. Now, since the federal government was into it in those days, what have they been doing in recent months? I would say that our new approach, calling them "designated areas", and trying to approach the problem on a practical basis, is a proper answer, but they have had the depressed areas and repressed areas, and what have they accomplished? They got an industry up in Owen Sound maybe, or some other place, but who is repressed and who is depressed? I do not know. These designated areas will come on, and they will flourish and the Minister is doing a good job in this deal.

Mr Chairman: The member for Sudbury.

Mr. Sopha: Mr. Chairman, I appreciate the remarks of the Treasurer about the branch not being "married", in his phrase, to these artificial lines and I merely want to say to him that, what I was expressing, and putting so badly, was that I see it purely in relation to the industry and the utilization of our resources, quite apart from where they are located. Therefore, I can see, with great clarity, the necessity for the establishment of that smelter near Timmins.

I am saying that what the member for Cochrane South would be saying if he were here today, because it was an act of Providence that that great ore body was found at the very same time as the gold mines were closing down. That was an extremely fortuitous happening. Now we have had four or five years—I disremember the year the ore body was found, I think it was 1964, it might have been 1963—all that time to persuade this company, this American giant, to locate its smelter somewhere in Ontario and preferably at Timmins. Now it was vital —I hope you will permit this allusion—to the political health of Mr. J. Wilfrid Spooner, that it be located at Timmins.

I am told that the Premier came into the area and confused it, so that the people of Timmins thought it was going to be at Kirkland Lake, and they defeated J. Wilfrid Spooner. Now that is a nice neat explanation, but I am told that is how vital it is to them, that it be there. It is not enough to dig the ore out of ground; but, in order to maintain the employment levels and the viability of that town, which has existed for almost 60 years, it must have the employment opportunities consistent in number with those that the gold mines furnished, and only the smelter can do that now. Which leads me to say that one of our less inviting qualities, as Canadians, is our timidity.

I was glad for the public life of Canada, when the summer soldier of the Liberal Party departed—that is Walter Gordon. I am glad he is replaced in Ottawa by Eric Kierans, who is a man who sees things in this light.

I would but hope that in the government of Ontario there was the voice that would speak to our American friends—investors, those who own our resources—with a good deal more forcefulness than we have heretofore displayed. I have said before, and it bears repeating, that one of the things that confuses Americans about us is, that when they try to find out what we stand for, they are absolutely dismayed and confused when they find we do not stand for anything. We lack policies and resolution and the forcefulness in putting forward our own interest than perhaps the Yankee trader is accustomed to encounter elsewhere in the world.

Now, if it will not depart in the heresy too far, I would be willing, had I but the opportunity and power to speak pretty strongly to that Texas Gulf Sulphur Company, I would go this far: I would say, brethren, it is up to you to show the government of Ontario. You have to show us for compelling, rational, economic reasons that you should locate your smelter elsewhere. Otherwise, we shall expect you to build it in the vicinity of the ore body.

I do not think a word of prayer of that nature, with the board of directors of Texas Gulf Sulphur would, in any way, interfere with the democratic concept. I do not think it would be a case of leaning on them too heavily, or imposing a burden that they ought not to be called upon to bear. I would think that position would be a legitimate posture for the government of Ontario to adopt, but I dislike it intensely, I can hardly express how much I revile the concept, when so much is said about the working of democracy in public, in forums such as this, that far reaching economic decisions can be made in board rooms in New York City beyond the operation of democracy.

Democracy does not go into those board-rooms, and the idea I find repulsive is, that the lives of our people in Ontario, in the Timmins area, can be affected by a decision of such far-reaching and pervasive importance as the one that I speak of, that will be made by the head office of that company on either Wall Street or some other part of the United States.

Now that, to me, is not consistent with democratic government. I see nothing wrong, in those circumstances, for the power over here in the executive council to be used in a rational fashion, to put the point of view of the people of Ontario, and particularly, the interests of those who live in the vicinity of that ore body. Especially when it is in the public interest of the whole province, as well as that deposit of population at Timmins, that the community be maintained as a viable and progressive community, as it has always existed from its earliest beginnings around the year 1911.

What are we expected to do? Are we expected to sit idly by? Governments, are they to remain speechless and see a community disappear? Well that is not consistent with the interests of the people of Ontario, much less with those that are so intimately affected by decisions such as this. Now I am very optimistic, and I hope these words that are coming from the Opposition, expressed by my friend from Parkdale and myself, as well as members of the New Democratic Party, go at least modestly to the extent of inspiring some vertebrae, some spine, into the government.

The government could approach that company in the conscious knowledge of support from Her Majesty's loyal Opposition, to the extent that the government would say: "We are very concerned about the future development of this ore body." First and last, under the constitution of this country, there would be an Act, as it was decreed in 1867, that the natural resources of this province belong to the people of Ontario and they are under the jurisdiction of the government of Ontario. Unless somebody gets up and wants to argue, and can point out to me, for compelling and persuasive reasons, I see nothing wrong with very definite government action and a demonstration of attitude to that company that is based upon insistence that the development of those ores in their first stages, the smelting stages, take place in close continuity to the ore body. It will be a heartbreaking thing let me tell you, and I will be very saddened if, after this House rises in a week or so, during the summer, some announcement is forthcoming from that company, or from the Minister of Mines, or someone else, that in spite of the efforts of the government, the smelter is going to be located elsewhere or across the border in the province of Quebec.

What has been happening, I say to my friend from Parkdale, is that in the initial stages of development of the ore body, they have been taking the concentrates, milled some of them, I believe, at Kam Kotia mines close to Timimns, and they have been taking the concentrates over to their smelter at Noranda and have been processing them there. Had this government finished that road from Timmins to Sudbury—consistent with the pleas I have made here over the years—it might have been that, in the first stages of development, the concentrates would have come to Sudbury. Had they had a road to carry them on, they might have carried them to Sudbury.

But we had no road to bring them, and the route by rail was from Timmins to Noranda. I do not want to sound terribly parochial. First and foremost I am a Canadian—but goodness gracious there comes a point where one must protest on behalf of the people of one's own province. They should have some priority from the point of view of the development of our province, and its continued health and prosperity. We have some right for the utilization of the assets that our bountiful Providence has put in the ground for the benefit of our own people. That is what I am speaking of. Having grown up in a town that became a ghost town, I feel terrified at the prospect of Timmins or Kirkland Lake following that same path of decay that occurred to the town of Cobalt and, indeed, has occurred to other towns in

Ontario for want of some form of programme to create alternative economic opportunities.

Now I get the impression that a mould of the chief economist from The Department of Trade and Development is too recent for the Provincial Treasurer to be acquainted with what is going on in this branch. I am very surprised that the chief economist, sitting in front of the Provincial Treasurer, to assist him, cannot tell him immediately what the stage of negotiations are with Texas Gulf Sulphur, because I would think if there was one person in the province who would know about these things, it would be the chief economist.

I do not know if the chief economist speaks to the Provincial Treasurer very much. Mr. Lavoie of the Toronto *Daily Star*, was, I thought, very unfair with the chief economist, at one stage of this session, when he called him a mandarin. I do not know what that word means, but he said that he was one of the mandarins around here. I hope that is not a term of opprobrium. He meant it in the sense that Arnold Toynbee uses it, I suppose. But he said that the chief economist whispered in the ear of the Premier, and a result of that whisper a new policy was born. So one reaches the conclusion that if he gets laryngitis, the government will fall.

Hon. Mr. MacNaughton: This is absolutely and totally out of order—interminable, repetitious, 30 minutes' diatribe over an unfounded rumour about which you shall hear more when the Minister of Mines deals with his estimates.

Mr. Sopha: Quit name calling!

Hon. Mr. MacNaughton: Not necessarily.

Mr. MacDonald: There was one aspect of the great debate that the member for Sudbury has indulged in that I heartily agree with. That is that this government should sit down with Texas Gulf and find out what is happening. But I say to the hon. member for Sudbury, that when they do that, and use the word insistence, that that is the direction of industry. I wish he would sit down with the hon. member for Downsview, who baits us for engaging in direction of industry. You are talking out of two sides of your mouth once again—the Liberal Party. If you are in favour of the direction of industry, direct them.

Mr. Nixon: That is just a red herring.

Mr. MacDonald: That is not a red herring.

Mr. Nixon: Where was the hon. member for York South when we told the government that they should do something about the sugar beet plant that was directed from outside this nation, and that this government allowed us to lose? The member for York South is just crying in the wilderness. He does not know what he is talking about—not a thing.

Mr. J. E. Stokes (Thunder Bay): And where were you when the pipeline went south?

Mr. Chairman: Order, order!

Mr. Nixon: Yes, when we were talking about the pipeline, of course, the hon. member for York South had two places to put that as well.

Mr. MacDonald: I sat in this House and was discussing yesterday the problem of the economic development and the direction of industry and I was subjected to a beating from the hon. member for Downsview. But that is direction of industry. Are you in favour of it? Well, when are they in favour of it? And when are they opposed to it?

Interjections by hon. members.

Mr. Chairman: Order, order!

Mr. Sopha: Can you tell me why the member for York South is so hateful today? Is it because it is hot?

Vote 2306 agreed to.

Mr. Chairman: We will now go to vote 2311, I believe, we agreed on this earlier. Computer services centre.

Vote 2311 agreed to.

On vote 2307:

Mr. Breithaupt: I note this afternoon that under vote 2302, subsection 4, we have given $152,000 to the finance and economics area for publications, reports and special studies. Under vote 2306, we have given another $203,000 for special publications, studies and reports, and under the policy planning division, a total of $332,000 in vote 2306. Now, we have again a special studies total of $25,000. Could the Minister enlighten us as to what remains to be studied after this other almost $500,000 has been spent?

Hon. Mr. MacNaughton: This amount is put aside for continuing studies. Research to be commissioned for the use of the computer in the auditing field would be an example. It is an amount that we have to

provide for the continuing reasearch of a branch of this kind.

Vote 2307 agreed to.

On vote 2308:

Mr. Breithaupt: Mr. Chairman, on vote 2308, there is an item which intrigues me and that is the library. At the end of that vote, there are salaries of $41,000, and maintenance of $6,000. What type of library is this? I note that there are three people listed in the phonebook with respect to the library. What are the details on the use of that library?

Hon. Mr. MacNaughton: The amount shown there is the expense for the library. It is shown in the revenue branch, but it is actually serving both sides of the department. It is a substantial library with many documents and books dealing with economic matters. It is also one of the services that will be shared jointly by The Economics and Finance Department, and one part of The Revenue Department.

Vote 2308 agreed to.

On vote 2309:

Mr. Breithaupt: Mr. Chairman, on vote 2309, the legal services branch. I would like some information from the Minister as to the persons involved. I am informed that there is a director, a secretary, and two solicitors. If so, the sum of $132,000 for salaries seems a little exorbitant.

Hon. Mr. MacNaughton: Do you want the total complement in this area? This is 17 in this legal services branch.

Votes 2309 and 2310, inclusive, agreed to.

On vote 2312:

Hon. Mr. MacNaughton: Mr. Chairman, with your permission, I would like to make a short statement, with the concurrence of the House, of course, on this vote before we start to debate it, as it may help to set the situation somewhat into perspective. I doubt that it will be totally acceptable, but if it is agreeable to the leader of the Opposition, I would like to try.

Provisions in the 1968 budget and estimates for horse racing in Ontario constitutes a self-help programme for this sports industry and its fans.

The government has increased the race tracks tax from 6 per cent to 7 per cent to raise an estimated additional $2.5 million during the current fiscal year.

A large portion of this increase is requested, under vote 2312, for the Ontario racing commission to provide increases in purses at both thoroughbred and standardbred tracks across the province.

In effect, the government is providing the means whereby racing supporters will pay for the higher purses out of the betting pool to preserve and improve the keen competition they enjoy at the tracks. At the same time, the racing industry will continue to make its normal net contribution to the general revenues of the government.

The result is that some of the financial difficulties of the sport can be resolved without placing any burden on other taxpayers. The total amount requested for the Ontario racing commission is $2,182,000, or about 85 per cent of the increased return from the higher tax.

Of this total, $382,000 is allocated to the commission for its operational expenses in supervising racing and administering the grant programme, which takes up the remaining $1.8 million. The sum of $25,000 will be used for research into swamp fever and other diseases which afflict racing stock.

An amount of $250,000 will be set aside for breeders' awards during 1968, pending a decision of the federal government on the establishment of national breeders' awards, or a national stake race programme, or both.

The hon. members will recall last year that, after several talks with the hon. J. J. Greene, Minister of Agriculture, I had anticipated that one or more programmes of this nature would be undertaken by the federal authorities to promote high quality racing stock. Because of the dissolution of the House of Commons, the amendments to the Criminal Code involving racing have not been considered and this has prevented the adoption of a federal programme. I have every reason to believe that it is still under consideration and that it will be undertaken in due course. However, if a national programme is not established this year, Ontario will continue its own breeders' awards to encourage the supply of good horses.

This leaves $1,525,000 for the improvement of purses and this money will be distributed to the various racing associations in the same proportion as they produced funds for the parimutuel pool in 1967. In turn, the various tracks will receive purse supplements accord-

ing to the percentage of funds they contributed to the pool.

The thoroughbred association provided 40.4 per cent of the mutuel funds in 1967 and will be entitled to 40.4 per cent of the money allocated to purses under this vote, or $616,100. Of the tracks involved, Woodbine contributed 43.2 per cent of the thoroughbred pool and will receive the same percentage, or $266,155.20 of the purse grants. Greenwood's percentage is 32.12 per cent, or $197,891.32. Fort Erie rates 24.66 per cent, or $151,930.26, and so on.

The standardbred tracks raised 59.6 per cent of the total pool and will receive the remaining $908,900 of the grants for purses. The breakdown by tracks will be:

Greenwood 32.6 per cent, $296,301; Windsor 30.5 per cent, $277,215; Mohawk 14.0 per cent, $127,246; London 8.6 per cent, $78,165; Garden City 7.1 per cent, $64,532; Ottawa 4.9 per cent, $44,536; B circuit tracks 2.2 per cent, $19,996; small tracks (less than 7 days) 0.1 per cent, $909.

A number of conditions have been established concerning the use of the purse grants. The most important is that the racing associations are not to pay, from their 9 per cent take of the betting pool, a smaller percentage toward purses than they paid over the 1967 racing season. This will ensure that the funds provided by this vote will be available to the horse owners.

The purse supplements will be provided from the date the funds become available to the end of the racing season. They will not apply to stake races.

As I indicated previously, the $250,000 for breeders' awards may not be required if the federal government undertakes a programme of its own in this area. Until this question is settled, the amounts of $19,996 for B circuit tracks and an amount, $909, for small tracks will be set aside. Later, these sums or larger amounts, depending on the exact requirement for breeders' awards, will be apportioned to the tracks concerned to assist them in improving their facilities.

From this outline, three significant points are established:

1. The funds for these purse supplements and other assistance to the racing industry will come from the increased tax on racing fans and not from the general public;

2. The formula for distribution guarantees that the purse grants will go to horse owners and not to the track owners or operators;

3. The sport will continue to provide a significant net contribution to the revenues of the government.

Our revenue estimates for 1968-1969 forecast a rise of $3 million gross from race tracks tax, the total increasing from $14.5 million to $17.5 million. Of the increase, $2.5 million will accrue from the higher rate of tax and the remainder from an anticipated increment in wagering. This will more than offset the additional assistance being provided to the industry, as well as the costs of supervision and administration.

To sum up, these changes will enable the racing industry to cure its own ills from revenues which it generates within itself, without reducing the net contribution from this sport to the general revenues of the government and without imposing any burden on the taxpayers of the province.

Mr. Nixon: Mr. Chairman, the day after the legislation to permit Sunday racing was proclaimed, the jockey club stock went up 50 cents. Since then, I understand it has improved by $1.10 per share. Those people who are knowledgeable in these matters must feel that the legislation has improved the financial position of this organization, the jockey club, which has the main responsibility for operating the racing facilities in this province.

I can tell you that the improvement of their financial position was not the reason I supported that particular bill, but for reasons that I explained at the time. My point is this: We, in Ontario, hear a Treasurer who is trying to justify the increase in the race tax from 6 to 7 per cent, when it is well known that jurisdictions similar to our own are able to keep a healthy racing industry with a tax of 9 per cent, and accruing much more to the general revenues of those jurisdictions than we have here.

For the Minister to indicate that this is "a self-help" programme when, in fact, we are asked to raise the assistance for the breeders and the racing industry from $300,000 as it was last year, to $1.8 million as it is this year, is surely an unreasonable suggestion on his part. I have already indicated to you, Mr. Chairman, in my remarks at the opening of these particular estimates, my association is with those people who are at the grass roots of the racing industry, particularly the standardbred breeders who often do this in association with their other farm work. But, having observed these people and knowing them personally, I know that they do it, not

as a means of making a living, as primarily one would expect from the position that has been put forward in this House previously, but as really a labour of love and one of the greatest hobbies that there is.

I hope it will continue to be profitable for them, and I hope that, besides having an opportunity to work with horses and take part in all the excitement of attending the races, they will be associated with a winner. But I cannot agree with the Provincial Treasurer's position that we, as taxpayers in this province, and particularly as members of the Legislature, should use up public funds to this extent to foster this particular industry. The person who receives the largest share of the breeders' awards is an expatriate by his own decision. E. P. Taylor, as you know, has been one of the greatest horse breeders of all times as far as Ontario is concerned. For improving the situation of the breeds here and the racing business, we owe him much credit—there is no doubt about that. But the fact remains—and it was brought out in the answer on the order paper to the question put there by the member for York South —that this particular gentleman is by far the largest recipient of the grants that are included in item 5. There are many others associated in that list who surely have no need for these tremendous funds coming from the public Treasury.

In years gone by we have put forward amendments which, if adopted, would have put the government in the position where these funds were spread out more evenly among all the horse breeders taking part in this particular business, and particularly those involved with standardbred horses. But it appears that the government is not going to change their policy in this regard. The Provincial Treasurer has been fit to give us a statement on this particular item which would generally indicate that we are able to provide $1.8 million instead of $300,000 at no expense to the taxpayer.

Now this, of course, is ridiculous. We are raising the tax from 6 to 7 per cent, and that is where the loss accrues as far as the taxpayers are concerned. There have been at least five occasions in the debate so far in this lengthy session when hon. members have pointed out to you, Mr. Chairman, and to the Speaker on other occasions, where the funds could be used for great humanitarian purposes, or to improve programmes that are to the general benefit of the whole community, and not just one part—albeit this particular part being one in which many of us have a great interest.

So, I would say, Mr. Chairman, that the government's policy is inadequate in this regard. It needlessly favours one particular sport. It increases the amounts of public funds that could better be used in other projects. There is much to be said for the racing industry being on its own. We, through legislation, have given them an opportunity to expand their racing days, if they see fit, through Sunday racing. This may, in fact, improve their net handle at the various tracks. I have approved of the government policy in some respects in years gone by, when the Provincial Treasurer indicated that he wanted to see that the small racetracks, particularly the county fairs, would have specific racing days with betting privileges.

Surely, this is a great thing, where the small farmers, the ones that I know and am concerned with, would have a chance to take their stock out and compete for purses that would certainly make it worthwhile. This is not sufficiently pushed as far as I can see; it appears that the government is still hamstrung with that archaic procedure about charters and racing days, over which they have said in the past they have little or no control. For the Provincial Treasurer to indicate that it rests with the federal government to make a decision which may, in fact, result in not using these funds, is inadmissible here. We are concerned with the voting of our own funds. I believe we would be remiss in our duty if we were to allow item 5 to go through, allowing $1.8 million to be used for this particular purpose. I think some of the research that it has been indicated the funds will be used for will be worthwhile. But, as you know, Mr. Chairman, we do vote a considerable sum of money to the Ontario Agricultural College and the University of Guelph, and the Veterinary College for research in animal diseases. This would be the more appropriate place, surely, for the research that the Minister is referring to.

For these reasons, Mr. Chairman, I move that item 5 of vote 2312 be reduced from $1.8 million to $1.

Mr. MacDonald: Mr. Chairman, we will support this motion; we started making this motion some years ago. At that time, Liberals and Conservatives opposed it; we are glad to have won the Liberals to support of this motion at this time.

Interjections by hon. members.

Mr. B. Newman (Windsor-Walkerville): Listen, I discussed this first in the House in 1960 too; we are getting closer together all the time.

Mr. MacDonald: When most of your colleagues were opposed to it.

Mr. Sopha: Why do you not fight them?

Mr. MacDonald: I am fighting them.

Mr. V. M. Singer (Downsview): Do not let it bother you so much these days.

Mr. Chairman: The member for York South has the floor.

Mr. MacDonald: One of the aspects that I would like to speak to now, Mr. Chairman, is the proposition that tax revenues or subsidies from the public Treasury are not the answer to the ills of the jockey club. I have referred earlier, in this session, to the writings of Martin Goldfarb. For those who may not be aware of it, let me briefly identify this man once again. Apparently until last November, 1967, Martin Goldfarb had never been to a horse race in his life. But he was a sociologist who was a consultant in the communications field. Vickers and Benson, an advertising agency, hired him to do a study of the horse-racing industry. The study apparently so impressed the jockey club that the jockey club has switched their advertising account to Vickers and Benson.

That, in itself, Mr. Chairman, I think is a rather interesting point. In a moment, I want to give some quotations, but while I am dealing with this I would draw your attention to the fact that one of the magazines from which I am going to make the quotation, in a lengthy interview with Martin Goldfarb, was *Canadian Horse*, the February, 1968 edition.

Canadian Horse, I note for the edification of the House, is published by the Rexwood Publications Limited, P.O. Box 127, Rexdale. The two top officers are president G. C. Hendrie and vice-president John J. Mooney, both of whom are associated with the jockey club.

In other words, I think what is rather interesting—before I get into the substance of Martin Goldfarb's remarks—is that they are apparently so valid that he has been hired by the jockey club to work on their behalf. And the interviews with him are published in a magazine which is, in effect, an auxiliary of the jockey club because the two top officers of the publishing house are also top officers of the jockey club itself.

Now, with that little bit of background, Mr. Chairman, let me give you a few quotations, first from the *Globe and Mail*, on January 23, 1968. These are quotations from remarks made by Martin Goldfarb to the national association of Canadian racetracks. The first one:

> Tax relief is not a solution to the problems facing racetracks.

The second one:

> Tracks must adjust to the changing times. Most tracks live in the past. They should get into the present and live for the future.

The third one:

> What we have right now is race lovers, most of the tracks have lost touch with the real world.

The fourth one:

> The present thought is to get a few thousand more—

That is, racetrack adherents or fans.

> They lose them as they die off.

He is referring to the age level of the people who go to the racetracks.

Now, the substance of those comments is documented more fully in this extensive interview to be found in the February issue of the *Canadian Horse*. It goes on with the reporter asking questions and Mr. Goldfarb replying to them. I want to dip into a few of his replies and give you about four or five of them in uninterrupted sequence. He was asked first about young people, whether or not they were interested in horses and whether they were interested in horse racing. And Goldfarb said:

> Well, if they are interested in horses, why aren't they interested in racing? Why haven't you developed a climate, a communications climate to predispose young people to be interested in racing? What have you done over the past years is identify racing inadvertently with a segment of society that isn't respected. As a result, parents have kept their children out of racing.
>
> If you had worked at developing a climate for young people to come to the races because they like horses and are interested in training horses and seeing what happens to a horse when he is prepared for a race, you might have developed a different relationship with the community. As it is, your relationship with the community is one of almost alienation.

It is an alien relationship with the general community; it is not a comfortable relationship with the church; it is not a comfortable relationship with other people; it is not even comfortable with the government.

To which I am sure the Provincial Treasurer will have to agree. A little later, if I may dip into his replies:

Let's study the market, the potential, the problems of reaching the market, and then begin to develop a programme to do it.

And the reporter:

Does it surprise you that racing has not done this until now?

Mr. Goldfarb: Definitely it surprises me, because the people involved are very successful businessmen who make these market surveys daily in their other operations. They couldn't succeed if they didn't.

And a little later:

You are not getting at the middle-class.

His point is that the middle-class is the group of people from which there is going to be a growing body of people who would be interested in racing, but they are not getting at the middle-class:

You are not getting the guy who will take an afternoon off and play golf and if you are ever going to be successful in any kind of recreational activity, you must attract the middle-class.

A little later:

One of the problems is that you don't consider it is a business and they treat it as a gentleman's sport. Then maybe they expect more for themselves than an average businessman would expect if he was part of the marketplace.

And now, Mr. Chairman, let me uninterruptedly just give you four or five questions and answers here which I think get right to the heart of the whole problem:

Reporter: They expect more of racing because they aren't making money out of it, is that what you mean?

Goldfarb: Well now, they treat it as a little toy of their own, rather than as a business and a marketplace that has to succeed.

Reporter: One of the problems I believe racing has had is that we have been so involved with the owners and trainers and management, with each of these segments, we forget about the public. Everything is, how will this affect the owners, how will this affect management, but very few times are there any signs of anyone asking how will this affect the public.

Goldfarb: Well, you mentioned the men who are in this and said most of them are losing money. Some of them are complaining about losing money. Well, nobody told them to go into a business to lose money and if racing is going to succeed in the entertainment world today, it has got to stop being the toy of the few people. It has got to start being a business. Professional sport is not amateur sport; people are not in it out of the goodness of their heart, they are in it because they make entertainment dollars.

Reporter: Many owners are in racing because they love the sport and they are willing to lose some money just to be a part of it.

Goldfarb: Then they must stop complaining about losing money. No one told them to go in there in the first place.

Reporter: I don't think that is quite fair to the owners. They realize they couldn't make money and they are willing to lose a certain amount but not the great amounts they have been losing in recent years.

Goldfarb: That is a lousy marketing policy. You must treat racing as a business, it's got to market its product against all the competition and I don't expect to be in anything to lose money. If they take that attitude, then they are not really interested in what the public wants. They are only interested in surviving and to keep their nice little game comfortable.

Reporter: And you feel that is what they have been doing, ignoring the public?

Goldfarb: Well, they might be afraid that if they took the public into account, the game is going to change so drastically that it would leave them behind and it would'nt be this nice little closed group any more. But the game is going to have to change if it is going to survive and so are the owners.

Well, Mr. Chairman, I think I have quoted enough to make the point. This is an industry that is living in the past. It professes to be an entertainment but it refuses to operate like any entertainment industry, or any normal business, indeed the very businessmen who would apply the normal principles to the business do not apply it in this toying with the game of racing.

Now, in light of all that, Mr. Chairman, there is no justification for dipping into the public Treasury to support an industry that is living in the 19th century. There is no reason for dipping into the public Treasury to pour $14,000 into the coffers of E. P. Taylor. Sure, it is true that E. P. Taylor may be doing something for the industry, but he does it because he loves it, he likes to be engaged in it.

And if he is losing money, that is his business. It is not our business to bail him out, particularly at a time when the Provincial Treasurer is greatly disturbed about priorities and the government's capacity to meet the needs in other areas. In fact, one final quotation from an editorial source, the *Globe and Mail*, back on December 16 before the government had indicated an increase in the government's take from 6 to 7 per cent to finance the grant increase from $300,000 to $1.8 million:

> Surely the jockey club's efforts should be directed at increasing attendance, not dipping into the government for the bettor's share.
>
> In effect, the government gets 6 per cent of the money bet in return for granting the club the monopoly on a racetrack gambling in Metropolitan Toronto and Fort Erie.
>
> What is more, the government has already reduced its take from 14 per cent in 1951 as today's 6 per cent; while taxes are going up for everybody else, the electorate might more reasonably expect the government to raise rather than to lower betting taxes.

In short, Mr. Chairman, I think, for the good of the jockey club and the racing industry, which simply has to modernize, as it has been warned by the man they have hired to give it advice on PR; for the good of the public Treasury; and for the good of the priorities of a government that is having difficulty directing money to meet the needs in other areas, I think this should be reduced to $1.

We certainly will support it and hope we can persuade some of those in the government back benchers who have been opposed to this for years, but have lapsed into silence as the government rationalizes its position and its action because of the influence of rather powerful figures in the community behind the things.

Mr. Chairman: The member for Sudbury.

Mr. Sopha: This policy of the government, I say to you, sir, is completely wrong. One gets the impression today that all one has to do is disagree with the Provincial Treasurer, if you make so bold as to disagree with him, is to present evidence of an appropriate problem. I shall not forget when I am next speaking in northeastern Ontario that the Provincial Treasurer, when one pleads for justice for that area, he calls it a diatribe. But in respect of this vote—

Hon. Mr. MacNaughton: What is a diatribe?

Mr. Sopha: I shall not forget, I shall inform the people. You were up there and you know the reception you met with in North Bay.

An hon. member: They do not like him in North Bay.

Mr. Sopha: They do not like him in North Bay in spades.

Hon. Mr. MacNaughton: One man.

Mr. Sopha: And a Tory at that.

Mr. MacDonald: He was not very parliamentary, but he got to the point.

Mr. Sopha: I have something to say about this, sir. When the racing commission came before the standing committee on government commissions, what I had to say at that time invited a certain measure of disagreement from the sports fraternity of our daily newspapers and indeed the electronic media also. But I never did see in the past that, notwithstanding the attitudes towards some of the facts I put before the committee, they ever met any of the arguments. I said for example, that the jockey club had demonstrated, beyond dispute, that its business sense was certainly open to question. And I put it just as simply as this to you, Mr. Chairman, that if Mr. Taylor and those on the directorate of the jockey club with him—Mr. Hendrie and Mr. Smythe and Mr. Ritoplin to name a few of them—choose to build a track at Garden City near St. Catharines, which is a hopeless failure, then should that business decision, made without consultation with the government of Ontario, be rescued by the Provincial Treasurer?

I was interested to note that, when the Provincial Treasurer read the figures, Garden City, if my memory does not play me tricks, provides 7.7 per cent of the revenue of the trotting horses compared to Greenwood's 40 per cent. That latter figure may not be correct, I will be indebted to the Provincial

Treasurer to correct it. That, sir, that establishment of the track at Garden City was—

Hon. Mr. MacNaughton: Thirty-two per cent.

Mr. Sopha: Thirty-two per cent. Thank you very much. As against 7.7 per cent. The establishment of that track at Garden City was a momumental disaster for the health of the jockey club. Whereas they had to provide racing dates for it, the expense does not justify its continued operation. But, caught by their own decision, they must continue within the foreseeable future, I suppose, to encounter losses by the operation of that track. Now is it, therefore, just that the government of Ontario should come to the rescue of that business decision? Well that establishes precedent and one is curious to know how far the government would be willing to go along the new path that it has charted in that regard.

It is wrong, sir, for the government to be a partner in the horse racing business. I think that it is, at least ethically, wrong for the government to be a partner in the gambling business. Liquor is—

Hon. Mr. MacNaughton: I think on a point of order it should be pointed out again, as it was when I made the opening statement on this vote to the House, that I reiterated not one copper to the jockey club. Not one cent to a track owner. Not when you say "directed money to bail out Garden City racetrack" or words to that effect. None of this money goes to Garden City racetrack.

Mr. Sopha: Thoroughbred racing is the horse racing monopoly in the life of this province.

Hon. Mr. MacNaughton: Yes but none of this money is—

Mr. Sopha: Thoroughbred racing is the jockey club.

Hon. Mr. MacNaughton: Yes, but—

Mr. Sopha: They are equal parts of the equation.

Hon. Mr. MacNaughton: Yes, but none of the money that is being set up to assist the thoroughbred horse owners or the standardbred horse owners, finds itself in the hands of the jockey club or any other track owner. We emphasized that point, I would like to emphasize it again, Mr. Chairman.

Mr. Sopha: On the one hand thoroughbred racing is a complete monopoly. Standardbred racing is a virtual monopoly, not total. There is competition from London, Ottawa and Windsor and the rest of the tracks are operated by the jockey club and I dare say that in the tracks operated by the jockey club—Greenwood, Mohawk and Garden City—it provides the lion's share of the standardbred contribution to the Treasury. Well, you challenge me. Let us have the figures of the tax from those three.

Hon. Mr. MacNaughton: In total terms you may be right, but I would draw to your attention that Greenwood is 32.6 per cent, Windsor is 30.5 per cent—and the jockey club has nothing to do with Windsor—Mohawk, 14 per cent.

Mr. Sopha: Garden City 7 per cent?

Hon. Mr. MacNaughton: Garden City 7 per cent. 51 per cent total yes. All right now that is a pretty close breakdown is it not, a really close split; really 50/50, you might say.

Mr. Sopha: And totally in the thoroughbred; totally operated by the jockey club and the thoroughbred side. Now, the proposition I make is that the allocation of $1.8 million puts the government in the position of partner in the horse racing business and I say that is wrong. The government has no right, no ethical right, no rational basis, on which to embark in this form of financial involvement in that industry.

Now if those who are engaged in horse racing, having established the precedent, are entitled to share in this $1.8 million, then what is wrong with next year, or the year after, the director of Maple Leaf Gardens coming to the Provincial Treasurer and saying, "You have a financial interest in our operations because the Treasurer gets a percentage of each ticket sold for entrance to the Maple Leaf Gardens." What is wrong with them coming and saying: "People are not coming to see the Leafs any more, we would like a subsidy from you. You gave a subsidy to the horse racing business, how can you turn a deaf ear to hockey?" And then soccer—

Hon. Mr. MacNaughton: There is no parallel.

Mr. Sopha: Well certainly there is a parallel. The government has a financial interest, I dare say, in all forms of professional sport in this province. But if you really want to go out, fine. You have an interest in professional golf, insofar as the revenue that

it derives from the sale of spirituous beverage during a tournament at a golf club is concerned, so the Treasurer has opened the door for claims to be advanced to the Treasury on behalf of all forms of professional sport.

Hon. Mr. MacNaughton: He has not.

Mr. Sopha: Oh, yes, it is not nonsense at all.

Hon. Mr. MacNaughton: How do we differentiate?

Mr. Sopha: My friend here has asked a pertinent question. How does he differentiate? My leader mentioned other jurisdictions. The leading ones of course, take 9 per cent, they are New York and Florida. I am not certain about California which is another big jurisdiction. In none of them is there any form of subsidy to the sport. Ontario again leads the universe in a very improvident, and a very foolish way, of having come to the rescue of those who cannot really manage their own affairs. Now that company, the jockey club—I do not hesitate from saying it is the chief beneficiary from this munificence of the Provincial Treasurer.

Hon. Mr. MacNaughton: Not so.

Mr. Sopha: Oh, yes it is the chief beneficiary. It went through a rapid period of expansion. It was determined by the board of directors, again without reference to the Treasury, or to the government of Ontario, that they would engage in a massive refurbishing and building programme which they remodelled and rebuilt their major tracks, as they did with Greenwood, for example.

Then the heavy investments at Woodbine, the complete refurbishment of Fort Erie, the establishment of Mohawk as a new track, the one at Garden City and that corporation became a terribly debt burden. It had, if I am correct—somebody will correct me if I am not—in addition to a large number of common shares, the jockey club had at least three issues of preference shares. Jockey Club A, Jockey Club B, and Jockey Second Preferred. In addition to that it has more than one series of bonds and debentures imposing a tremendous debt burden and demands upon income But of course that was a decision made in the confines of the boardroom and without reference to the government.

So, I ask aloud, rhetorically, that, having ordered its affairs in that way, what right has it got to turn to the provincial government, through whatever avenue that it uses, to say to the government. You derive taxation out of this, therefore you ought to put something back into it. And in putting it back in, as I say to the Treasurer as one who has been to the track perhaps more often than he has, by subsidizing the purses, as it is intended to do at these various tracks. Then to that extent he is relieving the jockey club from its contribution to the purses? One of the sorest points of course, between the horseman and the jockey club, is the division of the amount of the take from the paramutuel handle that the jockey club has had to put back into the purses.

Now, along comes the Provincial Treasurer to give a large assist to them. Well, Mr. Chairman, I could not do otherwise but vote—besides being a loyal member of my party and supporting what my leader indicates our policy to be—against this.

There are too many other attractive, valid and responsible demands that are made upon the public Treasury in other areas to justify this government which is beginning to cry the blues throughout the province about lack of revenue to meet its responsibilities. Morally, legally, legislatively, in no way, has this government the right to extract $1.8 million from the Treasury of this province and direct it in this way. That is completely wrong and it is unjustifiable and I notice that the Treasurer really has not sought to support it. He has not advanced arguments to support it. The Premier, all the while of course, remains completely silent about it.

Mr. B. Newman: Mr. Chairman, I want to make a few brief comments on this, because I can recall back in one of my first addresses in the House, I spoke at some length on physical fitness. I noted at that time that there was approximately $26,000 being provided to the youth of the province for fitness, back in the year 1960 and at that time $60,000 to horseflesh. To me it sounded kind of odd that we seemed to have placed a higher priority on the horseflesh than we did on our own natural human resource, youth.

We contributed one-third of one per cent per capita to improvement in physical activity and the physical well-being of our students and our citizenry at that time, whereas we contributed approximately three times that amount to horseflesh. In the intervening years, the grants and assistance to physical fitness by way of The Department of Labour have increased from $26,000 to $140,000. That is an increase of approximately 5.5 times

from a one-third of 1 cent per capita grant, to approximately a 2 cent per capita grant.

But when we look at the horseflesh picture, we find something peculiar, strange, odd and unusual. From approximately $60,000 given to horseflesh, we have multiplied that figure 30-fold, and now we contribute $1.8 million. Mr. Chairman, I think it is outrageous that we today would pay so much attention to improving the breed of horses solely for the racing public. Let me tell you, were you to have dogs race, the public would still go there and bet if they wanted to bet, so whether the horses are of the—

Mr. Sopha: Do not give him that idea, he will be subsidizing that now.

Mr. B. Newman: If the horses were of the poorest quality, the inveterate gambler would still go to the track and wager his two dollars.

Mr. Sopha: You and I can run faster than a lot of them.

Mr. B. Newman: Mr. Chairman, I would ask the Minister to reconsider his vote here, and withdraw that $1.8 million. If he does not wish to withdraw it, then at least consider the amateurs and have that $1.8 million donated so that we could have a better physically-fit youngster in our province. It is really a shame, Mr. Chairman, to be donating so much to horses and neglecting the humans.

Mr. Chairman: The Minister.

Hon. Mr. MacNaughton: Mr. Chairman, just before we call the motion to reduce these estimates to the sum of $1—a couple of years ago, I believe the horse racing industry commissioned the firm of Woods Gordon and Company to undertake a study of their problems. I would be sure that every member of the Opposition got a copy of that report.

This report set out and supported the facts and figures—no we did not believe it—that the loss experience accruing to owners and breeders was $5.9 million. Their proposal at that time was, that we consider reducing the 6 per cent tax on parimutuel wagering to 3 per cent and take the difference to assist the horseman. The remaining 3 per cent which in this particular instance, if he were dealing with that figure today, would amount to $7.5 million. This was the proposal.

Mr. MacDonald: Did you go for that?

Hon. Mr. MacNaughton: No, we did not go for that one, that is for sure.

Mr. MacDonald: But you were softened up by it.

Hon. Mr. MacNaughton: Well, they did not soften us up very much. Mr. Chairman, does the hon. member want to hear from me or does he not? I listened to him and I did not agree with him very much. If he wants to hear from me maybe he would do me the courtesy.

Interjection by an hon. member.

Hon. Mr. MacNaughton: He may be. All I heard about was a guy named Goldfarb, as a matter of fact.

Mr. Sopha: I do not think Goldfarb exists.

Hon. Mr. MacNaughton: Frankly, I have some doubts about it myself. Mythical characters!

However, subsequent to that, and I say in all frankness to the House that the chairman of the board of the jockey club of Ontario advanced a similar proposition that if we did not follow the recommendations of Woods Gordon, that at least we would reduce the 6 per cent take, and enable him to increase the track take. This was his proposition.

Of course, under the federal criminal code, 9 per cent is the maximum take-out that the tracks are allowed. Nevertheless, this was proposed for pursual. Obviously, as the hon. member for Sudbury will know, we have not gone for that proposition, because that would have played directly into the hands of the track owners, the jockey club.

Interjection by an hon. member.

Hon. Mr. MacNaughton: No, it does not. And I insist, Mr. Chairman, that it does not, because the jockey club has been directed to supervise this matter to the extent that there can be no reduction of purses with this money. This money must all be added. Now the purses were negotiated by the Ontario harness horsemen's association a year ago. They are fixed for this racing season, as I understand, and they negotiate from time to time with the jockey club for a percentage of the parimutuel wagering to be manifested in terms of the purses. I think I am correct in this and the hon. member for Sudbury will correct me if not. So that is established and I think it is established at an average of something between 46 and 47 per cent agreed to, negotiated.

Interjection by an hon. member.

Hon. Mr. MacNaughton: Yes, I am sure he could, but I still think I am—

Mr. Sopha: He loses money on it.

Hon. Mr. MacNaughton: I still think I am close enough to accuracy. You will have to ask him that sometime, but I do want to pursue this and I want the facts before the House and before the vote, the absolute facts, Mr. Chairman. It is conditional—and I repeat for the umpteenth time—that this form of assistance, which will be manifested in terms of added purses, all go to the horsemen and none to the track. This is the condition. The racing commission will be asked to ensure that the tracks get none of it so that they can, in effect, take some of this back and deal with their purses and so on. This is not to be, Mr. Chairman.

I do not know how much closer we could come to resolving the problem that I think confronted the industry. I am not trying to be facetious when I say this either, but if there is one thing you need to conduct races, it is horses. There can be no doubt in my mind—and I am indebted to the Ontario harness horsemen's association, the horsemen's benevolent protective association for the advice. All the groups that represent the horse owners of this province tell me that there is a falling off in the production of good blood line stock for racing purposes, that unless there is something done to enrich the purses in the manner that we are prescribing, stables will leave our tracks and go to the United States where it is more lucrative to race and indeed, they recite to me the names of stables which have already taken their entire string of horses across the border.

Now it may not be of much concern to the members of the Legislature. We have a place for the revenue that accrues to racing. We use it. We find a place for it. It amounts now to about $15 million a year. We think it will increase.

This programme of ours helps to ensure that the industry itself can stay on a reasonable footing, that they can breed horses, that they can race them and be as reasonably assured, as you can be, in a gambling business that at least the purse potential is there. So that at least they have the potential for an earning to enable them to continue a reasonably satisfactory operation.

So again I just simply suggest to the House that in moving that these estimates be reduced to the sum of $1 it may very well endanger the continuing revenue that this province has been accustomed to employing for the good of its people. And in doing this, I re-emphasize once more, the people that go to the races are paying for this. We are not imposing one copper of tax on the public, not one penny, and even when this entire programme is implemented we will have something more to add to the public purse. We are not spending it all. We are keeping some of it.

Mr. Sopha: Specious and spurious!

Hon. Mr. MacNaughton: I might say one more thing and when I am through we can debate this all you like. There is a small but a very important little segment of our community that enjoys breeding and racing horses.

Mr. Sopha: The Minister of Public Works (Mr. Connell) enjoys it.

Hon. Mr. MacNaughton: The Minister of Public Works is one, and I suggest that many of these people who are not as affluent as the Minister of Public Works are finding that it is a costly business. If it is too costly and they get out of the business—no horses, Mr. Chairman, no races. It is as simple as that.

Interjections by hon. members.

Mr. Chairman: The leader of the Opposition moves that item 5 of vote 2312 be reduced to $1.

Those in favour of the motion will please say "aye".

Those opposed will please say "nay".

In my opinion the "nays" have it.

Call in the members.

Mr. Chairman: All those in favour of motion will please rise.

All those opposed will please rise.

Clerk of the House: Mr. Chairman, the "ayes" are 28, the "nays" 38.

Mr. Chairman: I declare the motion lost. Item 5 is carried.

It being 6:00 of the clock p.m., the House took recess.

No. 149

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Monday, July 15, 1968

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

The House resumed at 8:00 o'clock, p.m.

ESTIMATES, THE DEPARTMENT OF THE TREASURY
(Concluded)

On vote 2312:

Mr. Chairman: Ontario racing commission, is there anything further on this?

Mr. E. W. Sopha (Sudbury): May I ask the Provincial Treasurer whether the impost levied on a per diem basis against the tracks meets the cost of administration?

Hon. C. S. MacNaughton (Provincial Treasurer): For all practical purposes, a very close item. I cannot tell you down to the last few dollars but very closely now, with the result of the distribution of the added revenue, yes, it takes care of not only the cost of the racing commission but also the administrative processes in The Treasury Department. For all practical purposes, it is now covered.

Mr. Sopha: The impost has nothing to do with the 7 per cent tax; it is a per diem rate. I argued for a long time here until it was finally raised. I just do not remember the figures—it was doubled after I had argued the matter for several years—because usually, well, there is a five-year time lag around here until a suggestion is adopted.

But eventually it was doubled. And in this respect I now adopt the argument of the Provincial Treasurer as being for the first time valid. He seemed to emphasize, you will recall, Mr. Chairman, that this did not cost the people of Ontario a cent. All the charges for this grant, he said—this gift to the racing fraternity—will be borne out of the 7 per cent tax. Well, if that argument is valid it is specially valid at the racetracks for whom the services are provided by the commission solely and for the benefit of the track and for no one elses in the province.

Hon. Mr. MacNaughton: Mr. Chairman, am I right in assuming that, when a motion to reduce the estimates is lost, that the vote is carried?

Mr. Sopha: No, you are wrong, as usual.

Hon. Mr. MacNaughton: I am asking the Chairman, I am not asking the member for Sudbury.

Interjections by hon. members.

Mr. Chairman: May I point out to the members of the committee that the motion was for the reduction of item 5 only. Item 5 was carried; the remainder of the vote was still debatable.

Mr. Sopha: Well, as I say, as usual the Provincial Treasurer is wrong.

The argument is valid; if the services are not provided for anybody else in Ontario then no one but the racing fraternity should bear the cost of the administration expenses of the racing commission.

And I should like to ask the Provincial Treasurer on what basis—in the light of his argument before supper—he can justify imposing a charge upon the consolidated revenue fund for the provision of a service for the racing fraternity only.

Hon. Mr. MacNaughton: Well, Mr. Chairman, I understood the hon. member's question. Prior to the proposal that has been concurred in, item 5, I guess it is fair to say that all the administrative costs were borne by the public purse, as a result of the—

Mr. Sopha: They were not. There was a daily impost levied.

Hon. Mr. MacNaughton: Well, a major portion of them. There will be additional revenue accrue from the implementation of what I have proposed under item 5 now, of $208,000, to apply against expenditures which are on the order of $300,000, so we are coming close—

Mr. Sopha: Here comes the seven years' itch as a catalyst.

Interjections by hon. members.

Mr. Chairman: The member for London South.

Mr. J. H. White (London South): We have now passed item 5, which is the fifth item and last item of vote 2312, and I suggest, sir, that the vote carried the Ontario racing commission. And I suggest further that the debate must now be confined to vote 2313.

Mr. Chairman: With great respect to the member for London South I would refer him to page 71 of Lewis's *Rules and Procedures.*

Mr. White: Mr. Chairman, with very great respect, our practice here has been modified by usage in the last several years since that text was written and the clerk, who is not here at the moment, has full details about these precedents. They are not to be found in writing but I assure you that I say with very great confidence that this item having passed, the vote is passed and we are now into vote 2313.

Mr. Chairman: With great respect to the member for London South the item alone subject to motion, the motion being defeated, that item is carried. The remainder of the vote may still be debated.

Mr. Sopha: I remember very fondly Kenneth Bryden tonight, Mr. Chairman. I know how he must have felt on many occasions. Could I ascertain the daily impost levied by the racing commission on the tracks?

Hon. J. P. Robarts (Prime Minister): We have not passed the previous—

Mr. Chairman: If I may say to the Prime Minister—

Mr. Sopha: Under discussion, we did not agree to take them in order.

Mr. Chairman: Do we have a Chairman? I might respectfully say to the Prime Minister we were not dealing with the vote item by item. The debate was ranging over the entire vote and the leader of the Opposition chose to introduce a motion respecting only item 5. We have not finished the vote, sir.

Mr. Sopha: That makes three of them that are wrong. They have struck out.

Hon. Mr. Robarts: We will be around though, we will be around.

Vote 2312 agreed to.

On vote 2313:

Mr. Sopha: Mr. Chairman, I was asking what the impost was? If I could just have that figure—

Interjections by hon. members.

Mr. Chairman: Vote 2312 has been carried, the Provincial Treasurer may provide the information to the member for Sudbury.

Mr. Sopha: He was about to do so.

Hon. Mr. MacNaughton: The impost for thoroughbred tracks is $200 per day. Standardbred tracks, $150 per day for extended meetings and $25 for circuit B tracks.

Mr. Sopha: Well, are you considering doubling it so it will not be a charge on the public purse?

Hon. Mr. MacNaughton: Yes, we will consider it.

Mr. Sopha: Thanks.

Mr. Chairman: Vote 2313. The member for Hamilton East.

Mr. R. Gisborn (Hamilton East): Mr. Chairman, through you to the Minister, I wonder if the Minister could tell us if there has been a change in the make-up of personnel of the pension committee from last year?

Hon. Mr. MacNaughton: Mr. Chairman, the two additions to the pension commission were the hon. member for Halton West (Mr. Kerr) and Mr. Paul A. Kates, an insurance executive in the city of Toronto.

Mr. Sopha: How much did they make last year?

Hon. Mr. MacNaughton: Depends on how often they worked.

Mr. D. C. MacDonald (York South): How often do they work is the more pertinent question.

Mr. Gisborn: Well, Mr. Chairman, I think we should have a brief explanation of the function of the committee in the past year. I notice that there has been a slight increase of $7,000 in the allowable estimate but one would think after this commission being in operation for, what is it now, going on five years that there should be a reduction in their responsibilities and their expenditures. Is there any reasoning for maintaining the similar estimates that we have passed every year, and an increase this year, because of the settling down of the plan and it being well established now and in operation for some time? It seems logical that there should be a decrease by now.

Hon. Mr. MacNaughton: Well, there is no reason to believe that there will be any material decrease in the volume of work that is assigned to the pension commission as the numbers of pensions in the province continue to rise, as they very likely will in a growing jurisdiction, and the number of plans continue to increase.

I indicated to the House, earlier in the day, that there are some 8,000 plans and 800,000 members under the supervision of the pension commission. As that arises, the supervisory work is bound to increase. The hon. member will recall that we dealt with some amending legislation to The Pensions Act in this session. These matters will continue to present themselves from time to time. I see no basic reason why the responsibilities of this commission should get any less. As a matter of fact I will be surprised if their supervisory responsibliities do not continue to increase.

Mr. Gisborn: Mr. Chairman, I am unaware as to whether or not there is a report from this commission. Is there a report that is tabled for the use of the members, to scrutinize their activities? I do not agree with the hon. Provincial Treasurer that their responsibilities and functions should be increasing. When the plan was established, they had to look after the registration of the many thousands of plans that were in effect across the province, and all of the detailed work that was involved at that time, with quite a lot of ramifications. I would think that after the original registrations were made and the plan was ironed out, that there would be a decrease in the need for the cost and their functions.

Is there an annual report tabled as to the function of the commission?

Hon. Mr. MacNaughton: Mr. Chairman, I tabled in this House some weeks ago, the report of the pension commission, which set out the extent and the area of the work that is performed by this commission. I would just say, very briefly, that it is possible now for the commission to concentrate on a more thorough examination than they did in the early stages which were formative and creative. Now they are more involved in the supervisory and the examination role than they were at that time, so I would just simply assure you, through the Chairman, that their work is not diminishing, nor is it likely to diminish, as far as I can see. I might say that, in support of the amount that is being requested on the vote, however, there is an estimated $96,000 that is recovered from registration fees and the sale of pamphlets. That is a fairly sizable contribution of the cost of the branch, when it is related to the estimates under discussion.

Mr. Chairman: The member for Windsor West.

Mr. H. Peacock (Windsor West): Mr. Chairman, the Provincial Treasurer reported to the Legislature that approximately 800,000 members of pension plans in the province of Ontario are now covered by the commission's jurisdiction. I would like to suggest to the Provincial Treasurer that the time has come for him to consider the establishment of a public scheme for the re-insurance of these private pension plans. So that, in the event of the failure of a company, or an employer providing contributions into a plan which is registered by the commission, there will be a fund available for the employees who have been in the employ of that particular firm or employer for a number of years and whose age is approaching retirement.

Of course, considerable examination and study would have to be given to where the cut-off would be set as to age and service—minimum years of service, and minimum age. But this fund would provide a paid-up deferred vested benefit for employees of a firm that is going out of business, or is suddenly relocated in another community, as we have had examples of in recent years with the movement of the Perfect Circle Company and the shutdown of the Studebaker plant in Hamilton.

I can give the Provincial Treasurer a large number of such examples, where employees with long service were suddenly separated from their employment. Suddenly their contributions to the pension plan were cut off. Suddenly they could no longer look forward to having a full pension, when they reach eligible retirement age under that particular plan.

I know that the pension commission's regulations provide for the transference of already accrued benefits to the commission, or through the commission to other plans. But in the case of many older employees, the Provincial Treasurer well knows how difficult it is for them to find new jobs where the pension benefits are on the same scale, or where there are any pension benefits at all. It is these employees who, through no fault of their own, are suddenly left unprotected, insofar as that future service that they might have had under a plan terminated as a result of a company's collapse.

I suggest to the Provincial Treasurer that now that the commission has succeeded in registering the plans covering such a large proportion of the work force in Ontario, it would now be appropriate for the commission to undertake such a re-insurance funding of the unpaid liabilities of the registered pension plans.

Now, Mr. Chairman, it would not cost a great deal to do this. It would mean a small premium, or a small tax, by the employer or the employee, and where the plan was one of joint contribution, by each party, into a central fund operated by the pension commission. Much in the same manner, Mr. Chairman, as The National Housing Act has a fund to insure mortgage lenders against loss.

The Ontario re-insurance scheme receiving this small tax per employee into its fund would then be able to buy for the employees I have been talking about—those employees who could not obtain re-employment, those employees who would face a number of years prior to reaching eligible retiring age without any pension contribution, without any accrual of benefits—the fund would be able to buy for them over that period until they had reached eligible retirement age a benefit in line with what they would have received had the plan been continued. The pension commission itself would take over the plan as though the firm or employer had continued to carry it out.

I think it is a feasible proposition now that it has reached this level of registration. I think it is one that is well within the economic means of the contributors to the pension funds to support.

Mr. C. G. Pilkey (Oshawa): The only comment I wanted to make in this regard is that as the numbers grow—and it would appear to me that—obviously I have not the statistics —that this question of private pension plans through employers, whether it is a contributory plan or a non-contributory plan, has grown by leaps and bounds in the last fifteen years.

And because of the greater number that will be included in these private pension plans in the future. I think that there is more and more awareness by people, employees and people, that there needs to be some protection for them in their declining years. So they have become more conscious of the need for employee-employer pension plans, private pension plans—as I say, whether they are contributory or non-contributory.

But the statistics that I read were that in the United States only one in eight would finally reach a position of maturity, so that they could receive a pension plan that would give them some measure of economic stability and security in their declining years. As we reach this position then I want to echo the sentiments of the member for Windsor West. We should recognize and become cognizant of the fact that this government should now be in a position to guarantee that these people who are making an effort to have a pension in their declining years, that is available to them at that time.

Obviously it is necessary to have a pension. These plants move out, or move to other locations, and these people will not be covered fully by a pension plan. I think there needs to be greater awareness now, by the government, than has ever taken place in the past, because of the increase in the number of participants in private pension plans.

Hon. Mr. MacNaughton: Mr. Chairman, it will be recalled that an amendment to The Pensions Act that was introduced and has since been given third reading and probably —I am not sure about this—Royal assent. The Legislature was directed to this end, in that we have now assured by legislation that the winding-up process that used to constitute an abuse in some circumstances, can no longer take place.

As to the merits or demerits of what has been proposed by the hon. members who have just spoken, I must say I do not feel competent to comment. I think that it is fair enough if I say that we will refer this to the commission and ask their advice on the matter.

I must confess I do not feel competent to say anything more than that. On the other hand, I would say that even a very, very small percentage of what is involved, going into an insurance fund, could develop over a period of years into a very substantial amount of money.

It could very well develop that it would be more than required, because the full purpose of the original legislation, plus its amendments, has been to ensure that these plans are financially sound. Now there is always the possibility that one will not be, but I would say that those instances would be few and far between, because of the legislative processes that we have undertaken.

Mr. Peacock: Mr. Chairman, the present activities of the commission are aimed at

assuring the solvency of the plan, but they can do nothing towards guaranteeing the continuation of the plan beyond the time when the contributions may stop going in. It is in that period—from the date of termination of the plan to the date at which an employee member of the plan reaches eligible retirement age—that we would like to see some insurance of the benefit that he would have expected to accrue during that period of time, be paid for by a re-insurance fund of this sort.

Mr. Chairman: Vote 2313, the member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): I note under vote 2305 that there is a pension funds branch in the government accounts division, and for that branch we have substantial amount in salaries and also certain payments.

I am wondering if the Provincial Treasurer can inform us as to the difference in operations—as I presume there will be some—between the pension commission of Ontario *per se*, and the pension funds branch, wherein do they have separate responsibilities, and what are those responsibilities?

Hon. Mr. MacNaughton: Well, the pension commission supervises all pension plans in the province. The other organization acts in a supervisory capacity over the civil service—public service superannuation fund and like funds. There is a rather sharp distinction between the responsibilities and functions of the two.

Mr. Breithaupt: The pension commission then have a supervisory function over the provincial government as well, or do they spend the majority of their time supervising other pension schemes?

Hon. Mr. MacNaughton: I would think that they would spend the majority of their time supervising private pension plans, but their statute gives them supervisory powers over the pension and superannuation plans and funds for the government as well. They have to conform to The Pensions Act.

Vote 2313 agreed to.

On vote 2314:

Mr. Chairman: The Treasury board secretariat; the member for Sudbury.

Mr. Sopha: May we ask the Provincial Treasurer, most courteously, who is on the Treasury board now?

Hon. Mr. MacNaughton: Yes, I mentioned that in my statement this morning, Mr. Chairman, but I will be happy to do it again. There is the Minister of Financial and Commercial Affairs (Mr. Rowntree), the Minister of Tourism and Information (Mr. Auld), the Minister of Transport (Mr. Haskett), the Minister of Energy and Resources Management (Mr. Simonett), the Provincial Secretary and Minister of Citizenship (Mr. Welch), and the hon. Minister Without Portfolio (Mr. Guindon), and the Provincial Treasurer of course.

Mr. Sopha: Who is chairman? The Provincial Treasurer?

Hon. Mr. MacNaughton: It is statutory that the Provincial Treasurer be the chairman of the Treasury board of Ontario.

Mr. Sopha: We are completely in the dark, of course, as to how it operates. We just have no knowledge of how this operates. I do not suppose we could go to a meeting of it anyway, even if we wrote a letter. It would be most unlikely.

Interjections by hon. members.

Mr. Sopha: But one wonders about the extent of the supervisory function carried on by this board and I cite but one example: That report of the Ontario council for the arts that cost the taxpayers of the province $16,000.

Now, how would they be able to expend that amount of money for that report without some inhibition being exercised by the Treasury board? Would there be any surveillance over what seems to me—now I may be a minority of one in the province—a very gross waste of public funds?

That council could have reported to us—they could have mimeographed the report for perhaps $500 and sent it along to us, instead of the very elaborate sophisticated and psychedelic document that they in fact sent, Mr. Chairman.

I really got the impression that that czar—I think some of the newspapers have called him that—Milton Carman, who used to sit up here in the junior Valhalla, was somewhat laughing at the Legislature and the public generally in publishing that thing.

The one statement that I thought very flagrant was that we are like the modern Medici. He had never read the history of the Medici; I think they had a number of murderers, arsonists, various other charlatans and mountebanks and poison was their specialty.

I would like to ask seriously how that expenditure of $16,000 for that document could get by the Treasury board?

Hon. Mr. MacNaughton: I am obliged to concur to some extent with the remarks of the hon. member regarding the cost of that report, but those matters do not come to the Treasury board. As I recounted in the opening general remarks I made, the Treasury board sat on 82 different occasions during the year. We approved in the first instance the estimate of each department of government and then, of course, in turn the various branches of the government. This would be approved under the estimates of The Department of Education.

Now, when it gets down to every mechanical transaction or every decision that they make, once their funds are voted, I suggest we would probably be meeting 365 rather than 82 days a year. Notwithstanding that, I say I concur to some extent with the member's observation. It is simply a matter of time and the limitations of time as to how far down in the approval of day to day expenses you can go. As I say, the total vote—the items within a vote—have to be approved by the Treasury board. Anything above and beyond that, during the course of the year, requires a Treasury board order. And for that, they are obliged to come to the board for approval. But what is done within the voted amounts I just simply suggest is difficult, if not impossible, to supervise as closely as we might wish to do.

Mr. MacDonald: Well, Mr. Chairman, as a matter of principle and practice, do you really, on any occasion, intervene after a vote has been made in any department or the arts council, to supervise how they might spend their money? I mean, once the vote is made, have they not surely the jurisdiction to spend the money?

Hon. Mr. MacNaughton: Yes, they have.

Mr. Sopha: I would hope not.

Mr. MacDonald: Once we have voted the money, surely they are a responsible body and if you do not think they are doing it right, you fire them. I just wanted to get clear, in my own mind, the establishment of the principle. My understanding would be that the Treasury board would not come into the picture if the arts council decided they wanted to spend $16,000 of their $1 million vote, or whatever it is, on their report. Presumably they have the right to do that.

Hon. Mr. MacNaughton: That is what I just finished saying.

Mr. MacDonald: Yes, and then you said if you were to sit on all of these, you would be sitting 300 times a year. I want to get the principle established. It is really not your jurisdiction to sit on it—once the vote has been—except that next year, when you come to consider the estimate, presumably you may save something to say about whether or not the money has been spent as wisely as you think it should be. Well now, Mr. Chairman, I would just like to say to both the Treasurer and the member for Sudbury, that before you get too excited about it and before it comes up next year, do not be too taken aback if the document wins prizes in North America and Europe for being the best annual report of an arts council in the year.

Mr. Sopha: I would not doubt that at all. That display of feminine pulchritude alone will probably—on page 5 of the report—I cannot determine whether that is Mr. Carman looking at the nude or someone else.

Hon. Mr. Robarts: We take our jackets off, but we cannot have a modern report!

Mr. Sopha: Pardon?

Hon. Mr. Robarts: We can take our jackets off, but we cannot have a modern report.

Mr. MacDonald: But furthermore, if you had a mimeographed report for $500 I think there would be criticism, and rightly so, if the arts council put out such a crummy document.

Mr. Sopha: I would say that. The only point that I would mention is that it goes too far. This is too flashy and too elaborate. In a province that out of one side of its mouth cries penury, and in respect of many legitimate programmes it puts on the poor mouth, and if the Premier is not doing it here he is doing it somewhere else in the province—pleading that he had not got enough money to meet every legitimate programme—I think that in the light of that, this expenditure is unjustified.

Vote 2313 agreed to.

Mr. Chairman: That completes the estimates for The Department of the Treasury.

Hon. Mr. Robarts moves that the committee rise and report that it has come to certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply reports that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Clerk of the House: The 4th order; consideration of the reports of the liquor control board of Ontario and the liquor licence board of Ontario.

REPORTS, LIQUOR CONTROL BOARD OF ONTARIO, LIQUOR LICENCE BOARD OF ONTARIO

Mr. Speaker: Before the debate proceeds, I do think there should be some consideration given to a decision of this House in committee, of which I have been advised, with respect to the customs of dress, that we have observed. Not necessarily the traditional customs, but reasonable customs which this House should be able to change, with reasonable view to those who visit us here, and also to enable us to conduct our work in a modicum of comfort as well as due form.

I have no particular views on the matter, but my recollection of what took place this afternoon is that when the House was in committee the members would follow the new custom of doffing jackets and when the House was sitting as this Legislature the jackets would be worn as in the past. Until there is some other decision by the House I would ask the members to observe that particular order.

Mr. D. C. MacDonald (York South): I wonder, if you would mind putting the same straw vote to the House as was put to the committee by the Chairman and find out whether the House, under these conditions, might not be willing to extend common sense into our House meetings as well as our committee meetings?

Interjections by hon. members.

Mr. MacDonald: Mr. Speaker, I put a question to you and I would much prefer to hear your answer, and whether you are prepared to do that.

Mr. Speaker: I have already made my views known with respect to the matter and I would feel that the agreement which was reached, and of which I am aware, by the members this afternoon should at least be observed for the rest of this day's sitting, if not for any longer time.

Interjections by hon. members.

Mr. MacDonald: The question I put to you might be seriously entertained. Would you be willing to put the question to the whole House as was done by the Chairman to the committee?

Mr. Speaker: I would be quite pleased to do that after I ascertain that the members mean what they say and what they do in this House—and it is obvious that they do not, because there was an agreement, or a motion or a view, taken this afternoon and it was upon the urgings of the member for York South.

That was my understanding of it as it was conveyed to me; and as I listened to it, because I came into the House to listen to it, I would think that at least for today's sitting we would abide by that and if the member wishes to raise it tomorrow at the commencement of the session I shall be in the chair, and I will be glad to entertain the matter.

Mr. MacDonald: Why postpone it till tomorrow?

Mr. Speaker: For the simple reason that I think the members at least should abide, for the day of the sitting, by a resolution or a vote that has been taken on that day.

Interjections by hon. members.

An hon. member: The member for High Park—

Mr. R. Gisborn (Hamilton East): If the hon. member wants some ruling as to whether or not we put on our jackets to remain in the House, I would ask him to make his approach to you, sir, and you make the decision.

Mr. Speaker: I have indicated that my view is that during this evening sitting—it may be uncomfortable but the members can, I hope, survive; they have in the past—the jackets will be worn in accordance with the customs and traditions of the House and in accordance with the consensus which was taken this afternoon in committee and the agreement as I understood and heard it. As I say I came into the House when the House was in committee and it was decided shirtsleeves in committee were proper if the members wish.

I would say to the leader of the New Democratic Party that personally I have no

objection whatsoever, either as Speaker or as a member of this House, to the members being comfortable and not having their jackets on, but I do feel if such a rule were to be enforced here that it would only be reasonable to suggest that all the members should wear a white shirt or some shirt which would allow this particular body to look reasonably well dressed.

Some hon. members: Oh, come on!

An hon. member: You were here this afternoon.

Mr. E. Sargent (Grey-Bruce): Who cares about this nonsense. Why do you not grow up?

Mr. Speaker: Order!

Interjections by hon. members.

Mr. Speaker: Those are only my own personal feelings.

As I say, it is quite in order for the House to decide how it wishes to conduct its business. I presume that the House will wish to take that opportunity and I would be most pleased to entertain the matter in the morning.

An hon. member: How are we after midnight?

Mr. Speaker: In view of what happened this afternoon particularly, it is my opinion that we should finish today's sitting on the basis of what has already been decided. Now the member for Hamilton East has asked for a ruling as to whether jackets should be on or not. I think that I have made it perfectly plain: In my opinion, for this evening's session we should be wearing our jackets.

Mr. MacDonald: Mr. Speaker, do you think you could indicate where in the rules one must wait until tomorrow to decide on a matter that is put before the House today—irrespective of when an earlier decision was made?

Interjections by hon. members.

Mr. Speaker: Order, order! The member for Hamilton East has the floor.

Mr. Gisborn: Mr. Speaker, I am about to make my decision as to your ruling. I think that at this point it has got past the stage of comfort or discomfort, as was the occasion this afternoon. As a result of your failure, sir, to give me any indication that there is a ruling under legislation or strict tradition, I will leave the chamber at this point, and if I return I will put the jacket on; but I hope that we can have some sensible approach to this problem before long.

Some hon. members: Hear, hear!

Mr. Speaker: The leader of the Opposition.

Interjections by hon. members.

Mr. Speaker: Order, order!

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I have had an opportunity to carefully peruse the report, or rather reports, of these two boards since the last time the order was before the House and I am very glad of an opportunity at this time to put some views before you, sir, as to the liquor licence board and the liquor control board and their function as explained in the reports that were tabled six weeks ago.

Since our last session there have been some minor changes in the regulations that have been made by the liquor control board of Ontario and particularly, and in this regard I would like to register a protest as to the attitude the government takes in making announcements of this type.

I believe the change that drew most attention was the one that permitted the sale of liquor and beer and wine in the province of Ontario on Sunday, under certain restricted practices. Although this was a subject for discussion at the session a year ago, it fell to his honour, the chairman of the commission, to make the announcement.

I well remember receiving a call from one irate constituent who said, "Who does that judge think he is deciding that we can now drink on Sunday?" It occurred to me that the responsible Minister and the government as a whole might better have made such an announcement.

It is the judge's responsibility surely to apply the regulations as they are understood but obviously it should be understood as well by the citizens of the province that changes in policy must be announced by the administration and not from the changes of opinion that the judge, His Honour Judge Robb, may have from time to time.

So surely, if we are going to deal with what has been a difficult problem over the years, the government must assume the responsibility for making the announcements themselves rather than shoving it off on his honour to bear what brunt there may be and any criticism—because surely these policy changes

are simply communicated to him and the announcement comes through his office?

But he has a difficult enough role, Mr. Speaker, in my view, in applying the regulations which, to some extent, are archaic and are not well received by a good percentage of our population. When changes of this type take place, it surely is the place of the hon. Minister, the Provincial Secretary (Mr. Welch), who reports to the House for these matters, to announce such changes.

Now there are one or two areas of continuing concern that arise from time to time. We are informed by the reports that the monopoly on the liquor traffic in the province of Ontario will bring in a profit of approaching $150 million during this particular year. Having a monopoly of the business, of course, carries with it heavy responsibiliites for service.

There have been considerable criticisms of the way the liquor control board and the administration itself have handled the strike that is still continuing. There has been no announcement of a settlement with the brewery workers in the past few hours that I am aware of, although it has been brought to our attention that such a settlement is expected any moment.

I know that there are a good many beer drinkers in this province who devoutly hope that it is so, as the hot weather continues. Those of our colleagues who can still get into some of the higher-priced establishments that have laid in a supply to do them through a lengthy strike are not suffering from any deprivation in this regard, but the need to provide service is still there. In my view, the administration has not acted in a fair way during this protracted strike in laying down some of the regulations which have prevented the operators of licensed premises from having access to the purchase of beer from those outlets which are still functioning. This was discussed previously, I know, and we are hopeful that the problem will become academic in the next few hours. Perhaps the Minister in charge, Madam Speaker, will be able to enlighten us on that a bit further.

There has been some considerable discussion for the past few years as to the regulations which are passing into more and more disuse in the province of Ontario as the attitudes of our people change. One of them is the prohibition of those of our citizens under 21 years of age having the right to buy and consume alcoholic beverages.

As we meet with the people in the province who have come to Ontario since the war from other countries, particularly European jurisdictions, where family customs are considerably different from our own; as we talk with those people whose backgrounds are well established in our province, we realize that the custom and the regulation to restrict the consumption of beer and wine, and even alcohol, to those over age 21 is falling more and more into disuse. It is very difficult to apply a law or regulation of this type and it is only by very, very rigid policing of our public facilities that we are able to maintain even a semblance of order in that regard.

But when we realize that the regulation applies in the privacy of the home, where the decisions of the parents should be of primary importance, we realize how unworkable a regulation of this type actually is. We are told, from researches that have been carried out by student organizations—and they probably approach a considerable degree of precision and accuracy—that 75 per cent of our young people between the ages of 18 and 21 in fact have broken the law. If they do not do it on a regular basis, at least they have done it experimentally.

I do not see anything particularly wrong with that myself, but the law still stands that anyone under 21 who has a drink of any type is breaking the law. I think it is necessary that some considerable investigation go into this.

We know that the jurisdiction immediately to the south of us, New York state, does not have a regulation of this type. Perhaps there is something to be learned from the experience in New York state, where the problems of alcoholic consumption, I suppose, are somewhat similar to our own.

Surely there is some reason to do some examination into the possible change of this regulation? I personally feel that it is breached, on many occasions, in the privacy of the home and at least this particular area should be left to the responsibility of the family's concern.

During the past year there have been a number of local option votes. I am sure that the report of the commission would give the number that have been taken. I just forget the detail at this moment but, Madam Speaker —if that is the correct address, perhaps you would correct me if it is not—you realize that we still have a number of townships in the province which have not had a local option vote for many years. As a matter of fact, since the vote probably at the end of the 19th century in which, by virtue of a

66 per cent majority, the townships voted to outlaw the sale of alcoholic beverages within their boundaries.

I happen to live in such a township myself and I have heard the complaints of many of our people who have had to travel some considerable distance in order to avail themselves of the product that is sold by the government monopoly, or even to go into a licensed premises. As a matter of fact, some of them have come upon rather embarrassing circumstances indeed. In the incident of which I have particular knowledge, there is a nine-mile drive involved for these people who want to go to a place where alcohol and beer is legally sold and, on more than one occasion, on their return to their own homes through the dry township they have encountered the law and been found guilty of a serious offence.

I am not saying for a moment that a wet vote in this particular township would solve all the problems. As a matter of fact there are many, who are reasonable thinkers indeed, who feel that this would simply compound the problem. And yet we are faced with the fact that in a good many of these dry areas there are outlets available to members of private clubs—usually those who have access to some of the richer types of clubs; golf clubs, country clubs, hunt clubs, things of this type. Whereas the general citizen must come under the strict jurisdiction of the regulation and the will of the majority of the members of the township, expressed some time in the late 1800s.

There is always, of course, the right to establish a petition that can be put before the council. Yet there is no doubt in my mind that those people most directly concerned with the problem, the Ontario temperance federation itself, are having some second thoughts as to the need to have these patches of dry regulations across the province.

We have seen that a number of the votes have failed—notably the one in the home city of my hon. friend and colleague for Grey-Bruce. It may well be that this is another area for careful re-examination as we find the province more and more blanketed by the decision that proper control under the liquor control board of Ontario is better than a complete dry situation with all of the difficulties that this involves.

When I refer to the net profit that the province realizes from the liquor monopoly and the liquor trade in Ontario, to which should be added the profits which come from the sales tax, we can see that we make a substantial gain for the consolidated revenue fund. When we were to compare this, of course, with the expense of the consumption of alcohol in our province, we realize that, of course, we are losing money.

We need only listen to the comments made during the estimates of The Department of Family and Social Services, the comments made by the hon. Minister for Correctional Services (Mr. Grossman), and others, to realize that the expense the community pays for the liquor traffic and the liquor trade far exceeds the profit. And yet we get the impression that the province, and the liquor control board, which simply applies the policy of this administration, is endeavouring to increase sales all they possibly can.

This is a matter associated with advertising. It is a matter associated with the attitude of the government itself. My own feeling is that we might gain considerably if we had a more efficient method of teaching our young people in the schools the actual effects of alcohol on the human system; what the pitfalls and traps are for the young person who is in a position of making an individual decision and choice at a particularly tender age.

The decision, I suppose, whether to be a total abstainer or a social drinker, or some other category that comes in this spectrum of opinion and practice, is made before the age of 20, notwithstanding the regulations of the province of Ontario.

It is in this connection that I say again, as I have on other occasions in this House, that the funds and initiative that we spend on proper education of the young—not necessarily to frighten them away from the use of alcoholic beverage but to ensure that their decision is taken based on the knowledge of what is involved in its use—would be the very best approach that an enlightened jurisdiction can and should take.

I believe this attitude would contain the best answer to the problem of alcohol and alcoholism as we find it in our own jurisdiction and elsewhere. In many respects, the attitude of the Ontario temperance federation has outstripped the government in this regard. Their emphasis is on education for young people, and through their various organizations I feel they are doing a good job in this.

I am not at all satisfied, however, that our schools are accepting the responsibility that they should accept. I want to emphasize, so that my comments will not be misconstrued,

that such a course should not be of the type that would frighten young and impressionable minds away from the use of alcoholic beverages. The facts are what we must present to the young people, and it is our responsibility so to do. This is what we should be doing beyond all else.

There are many of our regulations, and even our customs, that are applied by the liquor control board, and are a part of the policy of this government, that are archaic. They are laughed at by many citizens of the province, and they are certainly ready for change and enlightenment.

I feel that all changes of this type must be accompanied by a suitable and modern and effective programme of instruction in our schools, and I would urge this not only on the hon. Minister, the Provincial Secretary, who is responsible for these matters, but on my hon. friend, the Minister of Education (Mr. Davis) who has heard me on this subject before.

This has got to be the answer. There are many problems that we face in which we turn to education as the answer, but in this case, surely it is the best answer—the only effective one that meets the modern requirements. We must move away from the kind of unreasonable and misunderstood regulations that have been applied across this province.

I would say that I have a very high regard and a great respect for the chairman of the board and certainly the other commissioners of the liquor control board of Ontario. I have heard them explaining their responsibilities before the standing committee and, over the years of my responsibility here, my impression of them has gained year by year. But I would say that my impression of the government's responsibility has deteriorated. They are unprepared to accept for themselves the announcement of these changes and regulations, and it is just an indication that they are prepared to slough off this responsibility—at least in the minds of the public—on to someone else who should not necessarily have to bear it.

I feel that the government has not been effective in setting up, through The Department of Education, an effective programme of education. I believe that they have been guilty of allowing the regulations to come into disrepute, largely because they are difficult and, in some case, impossible to enforce.

Now, we have come through a difficult strike. I hope the Minister responsible will be able to give us some of the details of the possible settlement that has been worked on for the past few days and, according to news releases, is about to culminate in a settlement. These matters are a grave and continuing concern to those people who have to work during the heat of the July season. The matters, of course, are more important, I suppose, than the strike itself. I have already indicated that the monopoly position that the government enjoys carries with it heavy responsibilities to service the needs of our people.

I can only end on a note of criticism, that I feel that the government has failed to come to grips with these problems. I hesitate to suggest again that there should be some objective assessment of the regulations that the liquor control board has to apply. I feel that we in this House would support a government that was prepared to move into a liberalization of these regulations. It may well be that a select committee of the House could examine the matter. The problems of alcoholism have been growing by leaps and bounds, and we are not the only jurisdiction that is faced with those problems.

We have already had an opportunity to discuss the alcoholism and drug addiction research foundation in the amounts of money that we vote in order to pay for the work that they are carrying out but, even under those circumstances, I feel that we, in this province, are prepared for a new approach; that the government has been fearful in taking these steps; and I would look forward to the comments made by the Provincial Secretary in reference to some of the matters that I have raised this evening.

Mr. Sargent: Mr. Speaker, I rise to speak on this report. I would like briefly to speak, as a person from a dry area, on the disservice the government is doing the people in the resort business by not acknowledging the need to be geared to the times insofar as American tourist trade is concerned. We spend millions of dollars in tourism to get them over here. We get them up to the peninsula. They go to the resort areas and they cannot get the amenities they take for granted in their home areas in the States. And they kind of, Mr. Speaker, look down their noses at us as not being too intelligent, not having the basic rights that other people have.

In this age of speed, we have these pockets of dry and wet throughout our area. You can be in a wet area in one moment and in two or three minutes in a dry area. There is no plan, no uniformity, no basis for it, because—

Hon. J. R. Simonett (Minister of Energy and Resources Management): Nobody is going thirsty.

Mr. Sargent: I do not think the government, Madam Speaker, is actually trying to make the people believe that they are not in favour of the bubbly stuff. In fact, I think everybody knows that I take a drink, I think maybe they know that the Prime Minister (Mr. Robarts) takes a drink, and I do not hold that against anyone, but the fact—

Mr. E. Sopha (Sudbury): Is that true?

Mr. Sargent: They are trying to put across to the public that they are guarding their interests. That is completely subterfuge, I would say, and it is complete hypocrisy. In every area of our lives, this is in front of us. No function is held in any level of this country, federally, provincially, municipally, or in the business world, without ample supply of this. I think that it is part of our lives. And as my leader has said, it is overdone. It has caused great havoc in alcoholism, but it is here, there is nothing we can do about it.

And we do not have freedom of opportunity. I publish a magazine for the motel industry—and it is a multi-billion dollar industry—and if you, and if the government, the Prime Minister, knew the thoughts of the people in our industry about your hypocrisy. It is a wonder how you ever get elected, believe me. I never met a man who has ever voted Conservative, but they seem to get elected all the time.

Mr. Nixon: Well, I have met one or two. I do not know what happens.

Interjections by hon. members.

Mr. Sargent: I think the function—

Hon. Mr. Simonett: The hon. member would know the answer to that question.

Mr. Sargent: Hon. members of the government are a disappearing breed, believe me. They are on the way out fast. They did not come in here very cocky the next day after the election. They hung their heads and snuck into the chamber.

Interjections by hon. members.

Mr. Sargent: We know the power of the Prime Minister's image now. He could not even get a—

Hon. A. F. Lawrence (Minister of Mines): What election is the hon. member talking about?

Interjections by hon. members.

Mr. Sargent: Madam Speaker, the form of hypocrisy we have that is rampant in this government is particularly evident in this area we are discussing tonight—advertising.

We have American channels pumping in here—all the TV advertising, pouring the bottle out, showing the bottle, the product. We have newspapers in the United States carrying large advertisements depicting the product, but Mr. Robarts, the Prime Minister, seems to think it is saving our morals by not showing the product.

So you have to have a good imagination to read these advertisements, believe me. This is part of the planned way to protect the public.

Mr. Nixon: He is the original man of distinction.

Mr. Sopha: My children have no difficulty; they all sing the Carling song.

Mr. Sargent: The Prime Minister sits there and grins. He thinks he has that knowing look. "Oh well, we know a lot more than he does." He probably does. He knows I am never going to get a licence up there.

Mr. Sopha: I think the hon. member is wrong. I do not think he drinks.

Hon. J. P. Robarts (Prime Minister): Now we get to the truth.

Mr. Sargent: I think it is. Oh, you are not getting through with this, sir, not a bit. I think you got through pretty well on the Talisman deal; you got through there big.

Interjection by an hon. member.

Mr. Sargent: Yes, very subtle.

There is no doubt in our mind, Madam Speaker, that the Prime Minister personally intervened and broke the law here. The fact that an executive of Labatts who has a controlling interest in the Talisman—the law says clearly that he can have, indirectly or directly, no part of a licence; but this man, a brewery executive, has. This is one law very pointedly broken.

And the way you covered this thing up before the House last time was a great masterpiece. You should have made the man who wrote that piece—well, you could have made him a Liberal senator, but you should have a senate in Ontario for guys like that.

But there is no doubt in our minds—

Hon. Mr. Robarts: He does not really know what he is saying.

Mr. Sargent: —that the laws of the liquor control board are manipulated in favour of the government.

The club licences that we have across this province are a complete dodge of the law. The people of an area vote it dry, it should be dry. But if you have a connection in the government, you can get a licence to sell under a club licence. And this is completely evading the principle of local option.

The Prime Minister knows this, but it is the way he got around it to help his friends in Talisman. The people up there, as we now know, voted about 300 to 13 against it, and a few months later they received their licence, a club licence.

I will not flog that again, because that is a dead horse—people know that pretty well. The Prime Minister used his influence to help his friends.

I would say that the function of government is the allocation of resources and giving people what they want, and believe me, the people of Ontario wanted change in the policy in this department.

Hon. Mr. Simonett: If the hon. member's area did not vote for it, then what is the worry?

Mr. Sargent: We have a case for selling beer in grocery stores. I think it is a good point, because the average person that does their shopping on weekends likes to buy beer as a commodity.

The parallel here, when you stay in Quebec, was that the government some time ago wanted to make concessions to the small independent grocery stores. So they gave them the right—not supermarkets—but they gave the small independents the right to sell beer. This was an economic plus for the small grocery store.

It is a matter of record that Steinberg's—I do not think Steinberg's are the largest supermarket chain in Quebec—carry beer. And the policy is still in effect down there; the small corner store can sell beer. And I do not think that there is any more alcoholism or more drunks in Quebec than there are in the province of Ontario.

But basically, I have had a lot of letters over the last few days commending the standpoint of selling beer to grocery stores. I do not know whether it is the policy of my leader, or the policy of the party or not, but I am getting a good cross-section of public opinion that a lot of people do see merit in the idea.

I do not know whether revenue, or lack of revenue, is motivation enough or not for selling it in these outlets. Maybe there is one reason there, but what I am opposed to is the concentration of power in the hands of the brewers in this country today—the concentration to make the product and the concentration to distribute. I think there is a great need for someone to test this—to start another brewery in this country and to see if they can get an application through, or a right or charter for it.

I asked the Provincial Secretary the other day, and he named out the steps that one would have to go through. I think he said, in effect, Mr. Speaker, that the odds are about one thousand to one you would not get it.

I know the Minister did not say it, but he gave us the steps down the line.

Mr. G. Bukator (Niagara Falls): The chances are about as good as an eight-horse parley.

Mr. Sargent: But, somewhere along the line, the needs of the people should be reflected in this one area of great revenue and great monopoly. I think that it is time that the government came up with a new policy in line with the suggestions that my leader gave. Thank you, Mr. Speaker.

Mr. P. D. Lawlor (Lakeshore): Mr. Speaker, this is a subject which lies rather close to my heart, if not to other parts of my anatomy, and of which I can speak with an intimate and, indeed, an experiential knowledge of the subject. In other words, I feel that I am somewhat of an authority on this particular subject.

And leading off in this regard I would like to quote a few verses from G. K. Chesterton called "Wine and Water."

> Old Noah, he had an ostrich farm, and fowls on the largest scale
> And he ate his egg with a ladle in an egg cup as big as a pail
> And the soup he took was elephant soup
> And the fish he took was whale
> But they were small to the cellar he took when he set out to sail
> And Noah, he often said to his wife when he sat down to dine
> I don't care where the water goes if it doesn't get into the wine.
> But Noah, he sinned, and we have sinned, on tipsy feet he trod
> And the great big black teetotaller was sent to us for a rod,

And you can't buy beer at K.C.R. or Babloor or Sutton pod,

For the curse of water has come again because of the wrath of God,

And water is on the bishop's board and the higher thinker's shrine

But I don't care where the water goes if it doesn't get into the wine.

I think I shall end with the few things I have to say this evening with another quotation from G. K. Chesterton. But to launch into the issue, mine will be a rambling collection and collation of various absurdities under our present liquor control laws.

I shall launch the range of absurdities this year. I shall, throughout the life that I spend here, cumulatively gather them into little bouquets. I may repeat them from year to year, but then, again, preserving the House from that sort of thing simply add to the list, yearly.

There are two matters which come to mind immediately under this vote. One of them is one which a former colleague of mine, Ken Bryden, spoke of here at considerable length I think in last year's estimates, that is the company union operated in the LCBO and the lqiuor licence establishments. This is in the strictest sense an internal job run by store managers. I will not dwell upon it at length, as the debate last year contains pages of incisive comment in this regard, but it seems to be in accord with the whole handling of liquor in this province that you should have this "company union of the bosses," as they call them, operating here under The Crown Agencies Act, severed from the normal bargaining procedures, and having as their representatives not a democratically elected representative at all, but store managers.

On future occasions I think I shall go into some length again and hammer away at that particular point in order to try to have that particular union absorbed into a wider and more representative group than we have at the present time. Everyone knows how the liquor stores of this province are populated on the eve of elections by minions of the party, and I suppose to keep this particular patronage alive it is a good thing to have the finger right on the pulse and be able to run the show any way you like. Well, the job of an Opposition is to at least seek to raise their voice and forfend against that sort of thing.

The second thing is the business of the—and I will not go into it at any length—the negotiations that are in effect going on at the moment, on this beer situation. What I do want to make mention of, arising out of it, and on which a concentrated attack must be made in the very near future, is the Brewers' Warehousing Company Limited.

I do not think it is a virtual monopoly, I think it is a real, standing, thorough-going monopolistic practice. Nowhere in the civilized world do the breweries get a greater profit margin than in Ontario. Why? Because they control the distribution and not only the manufacturing. And they control it with the blessing of the government itself. As one of the hon. members said, it would be an interesting thing to see one try to get started. I understand that some years ago Pabst Blue Ribbon tried to come in here from the United States and they did manage to get a few cases into the stores but the price at which they had to sell their beer was non-competitive. I understand there was a 40-cent-a-case handling charge imposed upon them by the brewers retail people who are, of course, the three major brewery companies in this province, who control and mastermind the whole operation.

Now, the thing has been to some extent investigated under the restrictive trade practices commission, on which there is a report. I would think it was high time some citizen having feeling for the people of this province might launch before that unfair practices committee a further appeal for further investigation into the matter of the disappearance of breweries. The consolidation of this particular kind of power has gone on apace and is getting ever worse, so that the brewery profits are completely out of line and maintained by the present government as we will see, perhaps, a little later in this debate to your invidious satisfaction and directed into the maintenance of your party's funds.

I would think that perhaps the best way to get off the ground in this matter is to quote another few verses from Ron Evans, writing in the *Telegram* of 1965. His headnote reads "A cooking demonstration at the Yorkdale Plaza Book Fair ran afoul of the liquor control board regulations and prompted the *Telegram's* resident gourmet Ron Evans to turn poetic: "Oh Canada, We Stand on Guard for Thee; or How They Fixed the Fondeau".

They sing about Queenston Heights,
Stoney Creek and other brave sites,
But hark now to a cooking tale
Of a saucy struggle in Yorkdale.
Oh, just this week in old TO
They borrowed a plaza some books to show,
New novels and plays and history books,
Books for kiddies and books for cooks,

And just to add a little fun
They thought they'd show some cooking done;
They guessed the simplest thing to do
Would be a pot of Swiss fondeau.
Now fondeau is a dish divine,
Cheese and brandy and dry white wine;
You take some bread and swish it around,
The tastiest treat you have ever found;
This must have that alcohol
Or it is no good at all.
And so the book folk thought it prudent
To ask the liquor board about doing it.
Oh, said the board when they heard it,
You can't do that without a permit.
Fine, said the book folk, give us one.
Can't, said the board, there ain't none.
We don't give permits for cooking classes,
Just for stuff that comes in glasses.
But don't you dare proceed permitless
Or we'll close you down relentless.
The book folk argued, coaxed and pleaded,
But their pleas went all unheeded.
Said one boardman very haughty,
This way of selling books is naughty.
But, said the book folk, fighting time,
Wine in cooking can't be a crime.
That is a matter of opinion,
Said the sturdy public minion;
Well, last night each Yorkdale shopper
Had fondeau but most improper,
The stuff which all good chefs dismay,
The wine they used—ugh, consommé.
Now cheer the board and let them know
We're all aware of how much we owe;
Ah, righteous chaps in guardian roles,
They spoiled the sauce but they saved our souls.

And arising out of that I thought I would bring into the House today certain articles purchased at sturdy, stolid, staid and genteel old Eaton's store, where they will not sell cigarettes. This stuff contains alcohol; it is called Bab-ah-Rhum, made somewhere, I think, in Europe. I assure you, you would not have to eat too much of it to feel delectable, you know. And also there is another item sold at Eaton's store here; crêpe suzette, from the United States, it contains a goodly quantity of the stuff. I cannot understand how it can be permitted that these things be sold in our stores at all under the present regulations of the board.

Hon. A. Grossman (Minister of Correctional Services): You cannot get much of a jag on that stuff!

Mr. Lawlor: You cannot? Well some gentlemen over there in their present state of health would probably have to be lifted out of the House. If hon. members wish to test it, it is here for their testing, and also for the chairman of the board.

It arises out of the same thing, the same absurdity in connection with our liquor laws. There are candies on the market. I remember a court case not so long ago in which the client claimed—and take it with a dash of bitters if you want—that he had eaten so many of these candies that his ability was impaired and therefore he may have broken the law technically but eating candies is not usually considered in that category. Nor am I asking that the control board do anything about it, for heaven's sake. To the contrary, I think the absurdity lies the other way round.

The next thing that I would like to make mention of is that the people have been under the misapprehension for almost 20 years in this province that you may not have more than one glass of liquor of any kind on the table, particularly beer, at the one time when you are drinking. Now, that is not true. There is nothing in the regulations requiring this. Nevertheless, most of the emporiums in the city of Toronto will not put two glasses in front of you. They resist doing so and the reason is because of their fear of having their licences cancelled. Judge Robb has indicated that his private opinion is—nothing to do with the law of course—that he would rather they did not, you know. And so powerful and so much of the Moses is this man in our law, that rather than offend his tender sensibilities on these matters, they will not give the second glass, and many of them will not attempt to, in effect, defy his personal wish by putting a second glass in front of you and that is the condition of arbitrariness and the condition of dictatorship really that operates within the laws of the province today, in this regard.

The same thing applies all the way through and McRuer has something to say about these things as you will see a little later on, and it is to the arbitrary, the total refusal of the board to give reasons as to their judgments, the suppression of information. There is no method whereby this particular tribunal, which is of a quasi-judicial nature may be required to make public what its decisions are, and to follow a consistent policy under the rule of law. That day must come to an end. We must know why liquor licences are refused and why they are accepted and until that day comes, hon. members cannot help

but be under a cloud over there; it is to the instrumentalities that they use, the surreptitious devices at their disposal, the ability to play coy with a number of citizens of this province to gain their own benefaction over against a rule of law and open disclosure and a way of doing things that is above board. This they are not doing. The practice of office parties deserves a certain amount of attention.

But before we come to that there is mention in an article by Richard Needham. Incidentally, Needham has a contest on at the present moment. I have not seen anything published, as yet, but somebody is going to win a first prize or grand prize, someone who sends him the single most absurd restriction or regulation under our present liquor laws. He says he has a desk full of these and that in due course he will start publishing the absurdities. Meanwhile they, of course, mount.

One instance here—and I would ask hon. members to guess who said it—the Ontario attitude towards liquor was shown in July 1966, when Soviet Deputy Premier Dimitri Polianski visited Toronto. The Ontario government put on a reception for this distinguished Russian which was attended by MPPs of all three political parties. The liquor was served but when, according to the *Star*, the photographers began unlimbering the cameras the politicians hid their drinks.

Somebody explained to Mr. Polianski, "One of our strange Canadian customs is that we all drink but we do not want anybody to know." I would ask hon. members, in one guess, who was that man who said this? Of course, it was the Premier of this province, who was telling the Russian on this occasion of what the strange myths and habits are in this part of the world.

In the business of these parties I think it it fair to say on the whole, that whether or not we are personally overdrinking or even slightly intoxicant, when we attend on places where any liquor or alcoholic beverage is being served, we have under our present laws, almost invariably—I will even go so far as to say unquestionably—either committed or participated in an offence under the Act. The reason for that is that you may be a found-in in an establishment which has permitted drunkenness on the premises and there is an egregious case—

Interjection by an hon. member.

Mr. Lawlor: I think any of us could be charged at any time, right in this House.

Interjection by an hon. member.

Mr. Lawlor: The hon. member, too.

Mr. Sopha: Would we not look good down before the magistrate?

Mr. Lawlor: Perhaps some consideration might be given to making some minor alterations in the law. I mean after all it mounts. If this kind of law—and this is McRuer's objection—is held in disrespect and all of us joke about it and in going along with it we bring all law into disrespect. How can you expect people to abide by a host of other regulations and laws if we, ourselves, think these are absurdities and yet will not do a thing to alter them?

In the case which I was mentioning, a drunk happened to walk into a party as the police were waiting at the door. He had no connection with the party—at Park Towers a year or so ago—and the police remained outside the door. The people whose apartment it was did not know this person at all; nevertheless, 19 people, many distinguished visitors both from Australia and the United States were taken into custody and charged.

Subsequently the case was dismissed but the fact is that they were charged with permitting drunkenness on the premises, and *ipso facto* were liable to a conviction and anybody found therein—whether they knew this person or not—would likewise be subject to a fine.

Now what kind of a law is that? One of the other matters under this head is the business of drinking under 21. All kinds of absurd situations arise under this head, some of which are set out again in a Needham column of another date:

> Mr. Davies recites a recent incident to show the inanity of our liquor laws.
>
> Recently I was at a wedding where the groom was 20 and the bride 18. Both were drinking all night at the reception, but never once were they questioned. Several of the groom's friends, however, who were not 21, were forced to ask an adult to go up and get the drink for them. The bartender had refused to serve them.

The same thing in this column, that at another reception which the Premier of Ontario attended in Quebec City, at Laval University, all the young people present were under 21. Nevertheless, they were giving toasts and later, after lunch, were all led by Premier Lesage in a toast to unified Canada.

Here is a situation where a man, say 22

years of age, gives to his wife, who happens to be 19 years of age, a drink in their apartment. That man is breaking the law and he could very well be charged and fined and his reputation severely damaged. That sort of thing again has to be altered in this province.

The business of transporting liquor and whether bottles can be sealed or unsealed. As you probably know, you cannot carry an open case of beer along the street. Whether the bottles are open or not does not matter. As far as liquor is concerned the bottle can be taken—and apparently the weight of the law is that it must be taken—directly from one residence of yours to another.

You could, of course, stop off at your hotel room if you have one but you must be certain to have booked the hotel room in advance or that hotel is not yet your place of residence. You can take a bottle of unsealed liquor up to your cottage because you are moving from one place of residence but you must not take a detour with that bottle or you again can be charged and be subject to penalties.

The thing goes on in this particular vein and one could go on at enormous length. Take the case of homemade wine.

> If you like homemade wine you are in for a sticky time no matter what is inside the bottle. You may serve your homemade wine only in your own home. There is no way that a bottle of homemade wine can legally leave your house. The previous rules about taking liquor to summer cottage or camping ground do not apply to homemade wine. When you serve homemade wine you may serve it only to your own immediate family—

And this business of gifts arises and I think I will advert to it just for a moment. This is a Haggart column of around Christmas time of 1966. He has two columns. One is called "A complete guide to Ontario drinking." The first is private drinking and the other is public. On the private, he says:

> You cannot therefore go to a BYOL party —that is "bring your own liquor" party— with a part bottle of liquor nor with a case of beer that has been opened. Nor does it matter that all the bottles of beer are still closed. It is only possible to go to a BYOL party at all—I assume everyone knows what that means—under one set of circumstances. You must take a sealed bottle of liquor, or an unopened case of beer and make a gift of it to your host, providing of course that the party is at his house, since once again the only legal place he can have liquor is in his own residence. It would be illegal to take your own liquor to someone else's house and drink it yourself. It is illegal to give your liquor to one of the guests, it is illegal to put your liquor into a common pool and let everyone share it as they please.

He goes on like that.

Interjection by an hon. member.

Mr. Lawlor: Somebody should. We are going to pile it up and make this thing stick in their craw and change the law. It is high time that the government did something about it.

Interjections by hon. members.

Mr. Lawlor: As far as our beverage—

Mr. W. Hodgson (York North): The afternoon that the hon. member decides to do some speaking, I will speak to him.

Mr. Lawlor: The drinking conditions in Ontario—I have another interesting document in front of me. It says that in these times of rising prices it came as no surprise that the federal-provincial government levied an additional tax on liquor and beer. While the new tax has affected the majority of people it was generally agreed that these were the areas which would almost painlessly provide the sorely-needed revenues.

What the taxpayer did not expect—and which to our knowledge resulted in no public outcry—was that the price of draught beer would be decontrolled and likely increased to 20 cents. They go on—"they" I say, and I will tell you who "they" are in a minute—they go on to say that, despite the fact that the beer has been decontrolled, the conditions of beverage rooms throughout the province and particularly in the areas out where I live are deplorable and nothing is being done about it and that they are simply being gobbled up in profit. And the group that is sending this around and is complaining so bitterly is the local Progressive Conservative association with whom I have to, on occasions, contend. I give them every compliment, I hope their thoughts in these matters will reach the government of which they are supposed to be a voice.

Mr. Sopha: The only Progressive Conservatives around.

Mr. Lawlor: There are many other things one could say about the signs and the advertising. There cannot be a name like "Harry's

Bar" in this province, it is too much of a seductive type of thing. You have to use the word "lounge," you know, under these signs, "Lounge under The Liquor Licence Act." Very small wording on the regulations says that the type may be only five inches high for any of these signs so that they will not catch the eye of the passerby and be led into the ways of temptation; whereas the Ontario retail stores may have the words "Liquor Store" one foot high. Of course, this is special pleading on the part of the government. If there is going to be any seduction done they are going to have to do it on the grounds of the Ontario retail stores and then put up a sign large enough to let them know that is the place to stay away from. Everybody takes exception to the utilizing of clubs in this province as a subterfuge to gain certain ends and get around the law as it is otherwise applied; but to those who are better heeled than most of the population—and the Legions of this province are placed in a bad position as to the gallonage that they are given, and as to the fact that they have difficulty in obtaining liquor. Because it is extremely difficult if not impossible, the imposition upon them of all kinds of terms and restrictions as to the serving of meals, and so on, passes the understanding—particularly for a group of veterans and men who ought to be treated with a greater degree of leniency and understanding.

In winding up this particular portion of what I have to say, I want to quote from McRuer. He is talking here, in volume 2, about The Liquor Licence Act, and he says:

> This Act gives powers to a constable or other police officers to arrest without a warrant—

and this is the same wording as The Liquor Control Act:

> —"any person whom he finds committing an offence against this Act or the regulations." An examination of the regulations demonstrates how frivolous the Legislature has been in conferring powers of arrest and detention applied to these offences.
>
> Most of the regulations relate to the control and sale of liquor on licensed premises. The premises are well known and the licensee is known. It is hard to justify the power of arrest without a warrant for any of the offences created under The Liquor Licence Act. Some of these offences make nonsense of the law. For instance, a failure to supply suitable covering for the table in the dining room, or inadequate supply of flatware. A curious provision of the Act gives a constable power to arrest a licensee without a warrant if he permits "any constable or other police officer while on duty to consume any liquor on the licensed premises." However, the constable consuming the liquor is not guilty of any offence.

The second part of my little talk this evening, Mr. Speaker, is concerned with matters of perhaps more pith and moment, and may bring about a rising of the hackles if not the temperature of the blood, and on this evening when we cannot take off our coats, I hate to do that to the Opposition.

However, I am very much concerned with one aspect of liquor control regulations, and that is the curious business of how you people list and delist various kinds of liquor, because arising out of this curious procedure of listings and delistings of special and regular boards, a curious incident occurred in this province not so many years ago. The curious incident, as hon. members have guessed—which I cannot help but bring to the attention this evening, since nothing has been done about it particularly—is the Melcher's case, with the bagman episode, etc. The tie-in of the utilization of the liquor control board and the licensing provisions of this province with politcal patronage. When that matter broke in this Legislature it was argued it was *sub judice*. I would think there would be no question that *sub judice* at this time is not in effect. The last time the liquor thing came up I checked at Osgoode Hall. The case has not been set down for trial, that was on June 6. I did not get an opportunity to check it today, but I understand from the grapevine that this is still the condition. The case was started in 1963. It has gone on into 1968, it has advanced not very much further, although there have been a few "admissions" and what-not, made on the record which give signs of a tiny bit of life, a struggle in the darkness, so to speak, to keep this thing from actually getting into court.

I am surprised that we have not settled it, you know, in order to sweep it under the rug, and have certain evidence which has been mooted about. Evidence, there is enough kicking around to make it interesting as to certain cases of beer—not of bottles, of cases—just being handed out to certain individuals on a selected list which Ron Haggart has—no, I think it is West in this case; no, Scott Young has mentioned it in his columns on several occasions, which has never been challenged, as far as I know. These allegations stand and are outstanding at the present

time, and they remain outstanding, and it is high time they got cleaned up.

We were fobbed off on that occasion by the hon. Prime Minister saying, "Well, I am going to set up a review, I am going to set up a committee to review the electoral practice, etc." As we all know that was sheer camouflage. Nothing ever came of that committee. That committee is as dormant today as it was then. I wish you would get down to it and would set up a committee and go to work on the thing. We would not raise our voices so strenuously, and you would eliminate these iniquitous practices which undermine not only the commercial life of this province, but are always there as a blandishment touching politics, which brings hon. members opposite and all of us into disrepute under this heading. And so this case is outstanding. And what I have done here—and I will not thrash away at you in this particular regard, I shall mention it, newspaper after newspaper in the past year or two years that I could read you—I have them all in front of me—the columns from these newspapers; the Port Arthur, what is it called, *News Chronicle*, the Kitchener-Waterloo *Record*, the Windsor *Star*, the Toronto *Telegram*, the *Globe and Mail*.

The *Globe and Mail*, let me just mention to you, March 26, 1966, the lead editorial saying:

> There must be an enquiry. Mr. Robarts cannot be excused for his delay in ordering an enquiry. The fact that a writ has been issued in a civil case ought not to have inhibited him, for the two hearings need not have conflicted when the good sense of the government was involved. But had the pleas that the case was *sub judice* ever held any validity, it had laws all worn away; the writ was issued for September 6, 1963; today, two-and-a-half years later, the case is not even set down for trial.

And it goes on:

> There is no doubt what action should be taken. There must be a judicial enquiry into the whole affair. It should have been ordered in 1963 when the charges first came to the attention of the government. Premier John Robarts did not jump into the matter then; now he has been pushed.

And I think, under the circumstances, he needs very much to be pushed; nothing has been clarified in this matter. The whole business of pay-offs, bagmen, over against the kind of evidence that has been registered in the court; the letters that passed between Sarto Marchand, and Mr. McDowell; the mention of specific names of people; the mention of Harry Price about a business of a pay-off; an envelope with moneys in return for registration of certain rye and a certain cognac, which rye was registered at a subsequent time; the fobbing off of the matter by the statement of the Premier at a subsequent date, which, as I say, none of these newspapers—friend or foe, so far as you folk are concerned—would condone this activity. This shoving things under the rug and using your overwhelming power in this House to blanket debate and to cut off the protestations of people over here who think that matters of this kind, when they come to public knowledge, which they so seldom do, the tip of the iceberg ought to be reviewed in public. We know what is going on as far as special privileges and special interests in the liquor business is concerned.

Mr. J. H. White (London South): The hon. member is not serious, is he?

Mr. Lawlor: Dead serious!

Mr. White: He is pulling our legs.

Mr. Lawlor: The hon. member wishes I was not quite so serious.

When their own newspaper, when the *Telegram* says:

> Now that the names have been made public, the government is duty-bound to probe the influence-peddling allegations without waiting for the lawsuit to be heard.

And they go on, paper after paper, all over this province, in similar vein.

I think that it is high time, and I hope that other people would join here with their voices raised in this regard tonight, in order to give this thing a final testng and to bring it to a head, once and for all, since the court case is obviously in the doldrums.

Mr. G. Ben: (Humber): The hon. member might say that the case of Melchers is aging.

Mr. Lawlor: Well, it improves by aging, you know. The quality of the thing—the bouquet—changes as we go along. We will still be talking about it next year.

With that in mind, I shall leave the matters to more able hands than myself, and finish with a verse or two of G. K. Chesterton, just in the way of rounding out the scope of the thing. I hope it takes nothing from the bitter-

ness or acrimony, or acumen, or whatever it may be, of my remarks. He says:

Feast on wine or fast on water and your honour shall stand sure
God's almighty son and daughter
He the valiant, she the pure
If an angel out of heaven brings you other things to drink
Thank him for his kind attention
Go and pour them down the sink.
Before all the windy waters
Rained like tempest down
When good drink has been dishonoured by the tipplers of the town
When red wine has brought red ruin
And the death stance of our times
Heaven sent us Coca Cola as a torment for our crimes.

Mr. Speaker: The member for Dovercourt.

Mr. D. M. De Monte (Dovercourt): Mr. Speaker, I notice my friend from Lakeshore brought out certain hilarious aspects of our liquor licencing laws, but there is one, Mr. Speaker, that seems to be more redundant than all the rest. That is, that a person who is drinking in a licenced establishment cannot look outside, because the windows must be covered so that nobody can see him taking a drink.

Interjections by hon. members.

Mr. De Monte: I think, Mr. Speaker, that when we consider the liquor laws, we might consider why these laws—the sole purpose of the laws—is to restrict drinking. But it has also been proven, Mr. Speaker, that restrictive practices do not mean less drunkenness and that the present laws, in effect, fly in the face of reality, and of what the public would like.

I think the question of drunkenness is a question of education—the question of drinking is a question of education. I think that if we can train our young people to consider the drinking of liquor in its true aspect, then we would have solved, Mr. Speaker, the concern of many people, the prohibitionists, about restricting the hours of drinking; the practice of drinking; where you can and cannot drink; and how you should drink.

If we could only educate, as they do in Europe, Mr. Speaker. In France, in England, in Italy, a person is taught to respect liquor in any shape or form. He is taught that liquor is part of living; that liquor is part of having your supper; and that it should not be abused, as food should not be abused, as any endeavour in our society should not be abused.

It is interesting to note, Mr. Speaker, that the practice of the beer parlours, as we see them in Quebec, in England and Italy and at Expo—people thought it was just part of going to Expo, going out for a drink, and that this aspect of your life should not be abused. There is no doubt, Mr. Speaker, and I think it has been brought out in this House, that in Quebec there were two-thirds less drinking offences last year than we had in Ontario. I think that that speaks well of Quebec and speaks well of the people of Quebec's attitude toward drinking.

I think that perhaps we might even, Mr. Speaker, look at the continental attitude towards drinking—the fact that it is something to be treated with respect, and that the training that liquor should be treated with respect should start at an early age.

Another aspect of the situation of the liquor laws in our province, Mr. Speaker, is the liquor licence board. Many members of this House, and myself, in particular, Mr. Speaker, would like to know the policy of the liquor licence board. We would like to know why one person is granted a licence and another person is not granted a licence. Is it because this particular person has a different colour of eyes than this other person? It is because he knows somebody, and therefore obtains a licence? Is is because, Mr. Speaker—

Interjections by hon. members.

Mr. De Monte: Certainly we do not know why. The board has never told us why. They have never told us and it is a fact, Mr. Speaker, when you keep the information behind the door, suspicions are raised. There may be no grounds for the suspicion, and yet again there may be.

It is my respectful submission that if they put it out into the open, there will be no suspicion.

Interjections by hon. members.

Mr. De Monte: Why is it, Mr. Speaker, that Mr. Justice McRuer makes certain suggestions in his report on civil rights? Why is it that the members opposite have not done anything about it?

Why is it that one person goes before the board and is refused, and the other person, Mr. Speaker, is not refused? There must be a reason and we, as members of this House, and the public of Ontario, have a right to know why they have been refused.

You know, Mr. Speaker, the whole point is this—in some cases, a liquor licence is licence to make money and there is no reason

why every citizen of Ontario should not have a right to apply for a licence, if he is an honourable man, and obtain a licence. The restrictive practices in handing out of liquor licences is an ancient method, Mr. Speaker. With the greatest of respect to my friend, the member for London South, it is in some cases a question of patronage in many political parties—not only this one, but many political parties all over the world. And the sooner, Mr. Speaker—

Mr. White: On a point of order, Mr. Speaker, now that my names has been mentioned, sir.

I have been a member here for nine years and, on my word of honour, I have never known patronage to enter into any licence in the London area. As a matter of fact, there are all kinds of licencees there, some of whom are going broke because licences are so easily obtainable. The member is living in the 1930s.

Mr. De Monte: Mr. Speaker, I do not doubt the word of the member for London South, but the point is, it does not matter.

Mr. White: The point is, the member does not know what he is talking about.

Mr. De Monte: It does not matter whether people go broke, whether people make a lot of money—the rights to a licence should be there. A refusal of a right to a licence should be explained and there should be reasons given therefor.

I am not questioning, Mr. Speaker, whether —I said in some cases that the liquor licence is a licence to make money and in some cases it is. But the point is that everyone should have a right to obtain a licence.

Mr. White: And so they have.

Mr. Lawlor: That is not true.

Mr. De Monte: And with the greatest of respect, Mr. Speaker, if we did not take this restrictive attitude towards liquor—towards the distribution of liquor, towards drinking—we would possibly be able to cut down and at the same time educate the people as to the proper methods of taking a drink.

Now, what I would like to ask the hon. Minister, through you, Mr. Speaker, is, has the Minister attempted to correlate the availability of liquor and its direct effect on alcoholism? Has there been any correlation? Has there been any research done on the psychological aspect of alcoholism? Does a man become an alcoholic because alcohol is available, or does a man become an alcoholic because he has a psychological basis for it? I think this is an important aspect, Mr. Speaker, of the availability of liquor, of liquor licences. I think we must take a good look at the psychological aspect of alcoholism. We tend too greatly to concentrate on the idea that because it is available, therefore we are going to have alcoholics. We must look at the whole aspect of an alcoholic, his psychological makeup. Why he does it. Why he becomes a charge on the public. Is it because liquor is available, or is it merely because he has that peculiar psychological trait that the minute he takes his first drink he might become an alcoholic?

Thereby, Mr. Speaker, do we forbid? Do we limit? Do we place a fence around the availability of liquor? Liquor has been part of the culture of western civilization since the beginning of time. Christ, who changed the water into wine—

Mr. Lawlor: Tories change wine into water.

Mr. De Monte: I think the moralistic aspect of liquor is its misuse—not its availability—its misuse, for whatever reason, psychologically or because it is available.

I would point a question at the hon. Minister and ask him if he has done any research on this aspect of alcoholism, or whether he contemplates any research in that regard?

Now, one aspect that I should have mentioned earlier, Mr. Speaker. I think Mr. Justice McRuer sets it out in his report but he says there should be hearings for each case of refusal or revocation of a licence. I think here, Mr. Speaker, he is referring to all commissions, not specifically the liquor licence commission. But it seems only fair, it seems a question of justice—simple justice —and a simple civil right that when a person is refused there should be a reason given. And if there is no valid reason put forward, as to why this person should not have a licence, he should be automatically granted a licence. I think this is merely a principle of natural justice, and it should become a tenet of the awesome power that all boards and commissions possess, but particularly this board.

I heard a man say the other day, "Who is the liquor licence board? The liquor licence board is Mr. Robb." I think the member for Lakeshore pretty well summarized the case when he said they will not serve an extra glass of beer simply because Judge Robb does not like it. Certainly, Mr. Speaker, this is a

flagrant example of arbitrary rule by a commission.

Mr. Sopha: I doubt that.

Mr. De Monte: Well the member can doubt it and I can say it.

Mr. Lawlor: I can document it for the member.

Mr. Sopha: The member for Lakeshore was talking through his hat.

Mr. Ben: Like the member for London South.

Mr. De Monte: I am wondering how many members of this House have made a tour of the beer parlours in this city.

Mr. E. A. Winkler (Grey South): Not this last week.

Hon. W. D. McKeough (Minister of Municipal Affairs): We do not get out of here in time.

Mr. De Monte: The whole point, Mr. Speaker, I am referring to beer parlours generally, not drinking emporiums specifically. I am struck, Mr. Speaker, by the deplorable conditions under which some people are allowed to drink and by the horrible condition of some of the pubs in this city. The floors are dirty; their walls have not been painted for heaven knows how long; there is a waiter standing over you, Mr. Speaker, as you drink your drink; he is afraid to put the drink down but he will not leave until you drink the first one so he can smack another one down.

And this, Mr. Speaker, is what I suggest is wrong with our laws. You go to a beer parlour and drink. That is why you go to a beer parlour. You do not go there to meet your friends and have a sandwich, have a sing-song, to play darts, to play shuffleboard. You go there to drink, and that is the attitude that causes the drunkenness. And I think our laws foster this type of attitude. You cannot sing, you cannot—some people laugh and say you cannot sing—well, you are right, you cannot.

Mr. Ben: Drunk or sober, we cannot sing.

Mr. J. Renwick (Riverdale): That is wrong.

Mr. De Monte: What is wrong?

An hon. member: If you enjoy it, it is bad for you.

Mr. De Monte: The point is, Mr. Speaker, that if our laws were reasonable, if our laws recognized that people do drink, that if you could give them conditions under which they do not desire to drink excessively, then you are stopping drunkenness. You are stopping alcoholism. You stop excessive drinking.

And I think this is important, that we have to consider our laws in the light of modern-day ideas of what drinking should be like. We should train our young people to realize that it is a dangerous thing if you do not handle it carefully, like over-eating is if you do not handle it carefully; and that it is just part of a social whole that you take part in in order to enjoy yourself.

I think, with respect, Mr. Speaker, that the laws of our province tend to cause excessive drinking, and the sooner we change and accept, perhaps, the continental aspect, that we will be doing a great service for the people of Ontario.

Mr. Ben: Mr. Speaker, I think there is too big a fuss about liquor to begin with. The trend seems to be that if you cannot beat them, join them.

Now according to an article by Val Sears, a staff writer for the Toronto *Daily Star*, liquor is the fifth largest source of revenue for the province of Ontario. As a matter of fact, according to the report that we are discussing here, last fiscal year the province took in $154,273,836 in revenue from the liquor industry.

In addition to that, Ottawa got its cut of $158,449,135.

The consumption of liquor has jumped 35 per cent per capita between 1960 and 1966. There are 100,000 alcoholics in the province of Ontario, 1,600 people are likely to be killed in traffic accidents in Ontario this year, and in nearly half of these accidents, alcohol will be a factor. More than 500 people will die of liver cirrhosis in 1968. Alcoholic workers will lose nearly 1,000,000 man hours or $2 million at $2 per hour and, in Ontario, 300,000 lives are going to be blighted by alcohol this year.

Everybody is concerned about making drink more readily available. A report by the Ontario alcoholism and drug addiction research foundation says that the average Canadian now drinks the equivalent of 450 bottles of beer or 27 bottles of whisky a year. Now that is a pretty good consumption. He now takes three drinks for every one he imbibed in 1937, and evidently, in some people's opinion, liquor is still too hard to come by.

Now prior to 1960, advertising of alcoholic beverages was banned in Ontario. Ostensibly because so much advertising from the United States and Quebec was pouring into Ontario, Leslie Frost changed the law to permit certain advertising. So to me there seems to be a little coincidence that between 1960 and 1966, the last fiscal year, consumption rose by 35 per cent.

What makes the whole thing a little ridiculous is a statement by Mr. Sheppard—Harry Sheppard of the liquor control board—on advertising, that the hon. member for Sudbury spoke of. Hon. members know—how does it go, kegs or cans or bottles? Well the LCBO stopped it and here is why they stopped it. Mr. Sheppard said:

> The criteria we operate on is that the ad should be in good taste and that it should be designed to persuade the public to prefer one brand over another but not increase consumption.

Now that is his quote. On that basis, they said that the Carling ad was supposed to be in bad taste. I think the truth of the matter was that that particular ad was ploughing all the other breweries under when it came to sales.

Anyway the *Star* wrote an editorial as a result of these articles by Val Sears. It was captioned "Time For A New Look At Alcohol" and frankly I think it must have been written by someone under the influence. Let us consider some of the statements:

> Whether we like it or not, the drinking of alcoholic beverages has become socially acceptable in modern society.

Another quote:

> An effective public policy should be based on recognition of this fact. It should seek to impress young people with the dangers of excessive drinking, and it should also encourage them, if they must drink, to learn to do so in a moderate and civilized manner, preferably in a home environment.

Now point one: Because people do a certain thing, does that make it socially acceptable? Is it in fact socially acceptable or something that people feel they are forced to do in order to be socially acceptable themselves? In other words, are we all admiring the king's invisible clothes because everyone is afraid to say that the king is wearing no clothes at all?

Another point. It is a fact that we accept that people are going to be killed in automobile accidents—either as drivers, passengers or pedestrians. Does that mean that killing people or having people killed by automobiles or in automobile accidents is socially acceptable in modern society? If it is socially acceptable, we punish people for breaking automobile manslaughter?

Further, people are continuously breaking the traffic bylaws, especially the parking bylaws. You can in all honesty say that it is socially acceptable to break traffic bylaws, especially the parking regulations. Parking bylaws are more often broken from necessity than from desire yet, even though it is socially acceptable, we punsh people for breaking these laws. The question is why?

Regarding that quote: "If they must learn to drink—" Who says that they must learn to drink? No one says that our young people must learn to drink. We say that people are going to drink and therefore we should change our laws to make it easier for them to do so. But can it be taken for granted, as we take for granted that night will follow day, that people are going to drink?

What good reason can one offer for people drinking except that it keeps many people employed—in the brewing industry, bottle industry, packaging, advertising, selling, delivering, serving, inspection and those involved in the apprehension, prosecution and incarceration of those people that do not do it according to the law—and it raises $152 million a year taxation?

I wonder how many people would be prepared to put all the LCBO employees out of work, while letting the grocery stores handle it for the small additional income that they would get. I wonder just how prepared they would be to do that—even the party to our left there.

They are the ones that try to preserve a man's job but I could just see what would happen if tomorrow they said from now on grocery stores sell beer. There would be a riot in the ranks of the union labour and the NDP.

Mr. Gisborn: That comes from the hon. member's side.

Mr. Ben: In the article by Val Sears he states that about 85 per cent of the population are not abstainers. That is, 85 per cent of the population—not adults, but of the population, are not abstainers. He also states that nearly every adult in Ontario drinks.

So let us analyze that statement just to see how ridiculous it is. If he states that nearly every adult drinks and that only 15 per cent are abstainers, about 85 per cent of the population are not abstainers, then the abstainers must be among our young.

According to the 1961 census Metropolitan Toronto had a population of 1,824,481. If 15 per cent are abstainers then we have 273,672 abstainers. Of the 1,824,481 people who make up Metro Toronto 378,809 are between the ages of 0 and 9 inclusive. If we take from this number the 273,672 who are abstainers, then 105,137 or 27.7 per cent of those between the ages of 0 and 9 inclusive are not abstainers.

Of Metro's population, 527,722 are between the ages of 0 and 14 inclusive. Take away from this the 273,672 who are abstainers in Metro Toronto and this means that 254,050 or 48 per cent of those between the ages of 0 and 14 inclusive are not abstainers.

The conclusion? The *Star* is preparing to make a mint accepting liquor adveristing. If we are to pursue Mr. Sears' article further, consider this. The *Star* editorial had this to say:

> More people are drinking at an earlier age than in previous generations. The inevitable result has been more drunken driving by teenagers and more criminal offences involving liquor.

According to the 1961 census there were in Metro Toronto 276,830 children between the ages of 10 and 19 inclusive. Since, according to Mr. Sears, 273,672 were not abstainers all the children between 10 and 19 inclusive except 3,158—and they were probably in jail or training school—are not abstainers, they are drinkers.

Now the *Star* editorial referred to a "more realistic approach to the problem" which the home and school federation survey may help to prepare the way for and some of these approaches are; the age at which the young people are allowed to drink, which in Ontario is fixed at 21. This rule, the *Star* states, is open to question on two counts.

> Firstly the law is virtually unenforceable, at least to youngsters in their late teens, and like all unenforceable statutes, it tends to bring the whole law into contempt.

Now, I agree with the *Star's* contention about bringing the whole law into contempt. But when is the *Star* going to take up arms against other unenforceable, and unenforced offences such as speeding, parking, jay-walking, false advertising, and others?

> Secondly, the high age limit makes the introduction of young people to liquor in a home setting illegal, at least in theory.

That is a quote from the *Star*. Well, according to Sears' statistics, every young person seems to be drinking without any difficulty whatsoever.

The *Star* ends its editorial by stating that in Italian and Jewish homes where liquor is made available to youngsters quite early, but under family supervision, and on family occasions, there is little drunkenness or alcoholism.

That may be. But I suggest that it is because the Jewish child is taught to invest his money at 10 per cent and not to spend it on liquor, and the Italian just cannot afford to get drunk when he has such a large family to support. So what is the point?

Hon. Mr. Grossman: What a theory that is!

Mr. Ben: So what is the point of this? Well, I think that all the people who talk about liberalizing the liquor laws are themselves probably a bunch of inebriated hypocrites, inebriated either on alcohol, or self-importance.

Alcohol has never been a necessity of life. No one has ever established that man cannot exist without alcohol while millions—even if it is only the three million in Canada—have proven that one can exist without alcohol.

Since the indiscriminate use of alcohol has produced all the evil that has been attributed to it, why not ban it, and all references to it? We can even force the American radio stations and publications to delete all references to alcohol in books coming over the border.

Nonsense? Of course it is!

I still maintain that a way to cut down on the evils of alcohol is not to make it easier for everyone to get, but to stop encouraging its use. From 1960, when advertising was permitted in Ontario, to 1966, the consumption of alcohol increased by 35 per cent. No one could convince me that all this advertising did was to persuade people to buy one brand rather than another, and not encourage people to drink. If that was all advertising did, then General Motors, Ford, Chrysler, Lever Brothers, Imperial Tobacco, and other companies would have stopped making so many brands, and stopped advertising long ago. I say that it is not the law that is an ass, but the people who pass it. Those are comments I made about the *Star* editorial.

Interjection by an hon. member.

Mr. Ben: It is an editorial, Mr. Speaker, from the *Telegram*.

Mr. Sopha: No heckling please!

Mr. Ben: Mr. Speaker, there was an editorial some time ago in the *Telegram* which was captioned "Drinks at the CNE." It had this to say:

> Toronto controller, Fred Beavis, has proposed that beer and liquor should be sold at the Canadian national exhibition. Such a move is not only long overdue, but would help to attract interest in a fair that unfortunately is not keeping abreast of the times. In this day and age, beer, wine and liquor served with meals have come to be accepted as part of our way of life. Alcoholic beverages with meals are no longer a novelty. Most people now want drinks when they are eating, and if they are not available, the business of the future will in probability be taken elsewhere. In its effort to acquire a fresh and exciting image, the CNE should learn from the experience of Expo '67, even in the matter of having drinks available on the grounds. As Mr. Beavis has noted, cocktail bars abound at Expo, and most pavilions that have restaurants serve beer, wine, and liquor with meals, including Ontario's pavilion.
>
> Mr. Beavis, who recently toured the fair with Mayor Dennison and Controller Campbell, was impressed by the absence of drunks. The fact that drinks could be had with meals obviously had a lot to do with it (apart from the fact that it cost 50 cents for a bottle of beer, of course). The CNE, of course, is an entirely different type of fair from Expo. The world's fair is attracting a lot of Europeans and Americans too, who have long taken it for granted that food and alcoholic drinks go together. In some provinces of Canada, this practice began only recently.
>
> The *Telegram* is not advocating that wide-open drinking be permitted at the CNE, but we can see no harm in beer, wine and liquor being available to patrons in restaurants.

That is the end of the editorial, Mr. Speaker. At that time I was doing some editorials on a radio station, and I had this to say about their editorial.

> Last week de Gaulle made a hurried exit by air from Canada and it is a pity that he did not take the editorial board of the Toronto *Telegram* with him, for where de Gaulle was trying to destroy this country from without, the *Telegram* are doing it from within. Last Thursday I dealt with a *Tely* editorial on open gambling, captioned, "The Law is an Ass," and suggested that it was the *Telegram* which was the ass. The same day, having read its editorial, "Drinks at the CNE," I came to the conclusion I was too kind to them.
>
> The article, needless to say, supported the sale of alcoholic beverages at the Canadian national exhibition. Of course, the editorial makes it a point to stress that they are not advocating open drinking, not our puritan *Telegram*, just to beer, wine and liquor being available to patrons in restaurants. You see, according to the *Telegram*, "Most people now want drinks when they are eating".
>
> Well, I think it is time that the editors of the *Telegram* got out of their panelled executive dining room and came down to earth. I am sure it would do them no harm to walk down Yonge Street at noon hour and rub shoulders with the common man and woman. They would find that a majority, an overwhelming majority, or, to use their expression, "most of the people," do not dash to the nearest bar, tavern or licensed establishment for their lunch but to places like Eaton's, Simpson's, Woolworth's or Kresge's or to one of the many small restaurants downtown, few of which have licences to serve liquor. Furthermore, in many of the licensed eating places the more timid are induced to have liquor by the simple, sweet, but subtle question, "What would you like from the bar, sir?"
>
> The editors of the *Telegram*, however, prefer to judge the habits of the citizens of Toronto by smelling the breath of their reporters. The *Telegram* states that permitting liquor to be sold at the Ex would not only be a move long-overdue, but would help to attract interest in a fair that unfortunately is not keeping up with the times. How in heaven's name would liquor attract people to the Ex when there are so many bars downtown that you can't slip on a banana peel without falling into one? Would the *Telegram* have us believe that people will leave their homes and ride with their children on crowded streetcars, or inch forward in traffic trying to find a place to park their car just so that they can have a drink at the Ex? What rubbish.
>
> What keeps Torontonians away from the exhibition is that there is nothing on exhibit except cars a year old in design, electric appliances which one can see at the corner store, imported has-been actors with acts so old that they make the late, late shows on television look like world premieres, and

> a deplorable lack of a place to sit and rest when one gets tired of it all.
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> But on the other hand, the *Telegram* may have a point. The people can always drown their sorrows in having been fools enough to have gone there in the first place.

I regret extremely that I have not got an editorial from the *Globe and Mail* to pass some comments on, but you know that the fact remains that fuss is still being made about liquor as if it was in itself oxygen, and a necessity of life. My colleague from Dovercourt has talked about statistics. Well, the statistics are there. Russia, where liquor is easily available, had a fantastic alcoholism problem, and they have had to get strict. Czechoslovakia, itself, and I use that as being the country of my birth, has a liquor and alcoholism problem. In Sweden, I recall when I was there, I was surprised to see that port sat on a cafeteria table, where the steam table is, that it was served as we serve orange juice. I finally found someone who could speak English, and asked what was the drinking age. He answered that it was 16 years. I said, "Well those people there are not 16." These were 15- and 14-year-olds grabbing a glass of port the way I grab a glass of tomato or grapefruit juice. He said: "Well, they are not too fussy about how old they are."

I also saw people lying stupified on the streets and I went to the police stations and asked about the problem, and they have a fantastic drinking problem in Sweden. Their alcoholism rate has jumped sky high. In Sweden now, if you have a reading of .5 on a breathalyzer, you automatically go to jail. They just pick you up and let you stay in jail overnight to sober up, and let you go. That is what liquor does. Now—

Interjection by an hon. member.

Mr. Ben: I was overseas. You might say that I got as drunk as a lord, and as sober as a judge, although I could not see the difference to tell you the truth. The fact is I can take it or leave it. I do not consider liquor a necessity of life and I just look in bewilderment at people who just cannot seem to live without the stuff. I should think that we should concern ourselves with trying to convince people that you can live without alcohol. and in fact, I think that there are some 450 million Moslems in the world who, by their religion eschew drink. They never touch it and they seem to survive.

Hon. Mr. Grossman: On a point of order please. I think that this is about as appropriate a place to rise and object to a statement made by the hon. member because of what he has just said. As a member of the Jewish faith I take exception to a statement that he made earlier and I am sure that, being the member that he is and knowing him as I do, he would not mean it the way that it sounds, but it certainly did not sound good. He made some suggestion that perhaps the people of the Jewish faith teach their children not to drink because they find that they would rather have their children learn to invest their money at 10 per cent. Perhaps, he said, this was the reason. There are some libellous connotations to this, and I know the hon. member would not mean it that way. I suggest to him that perhaps the latter statement he has just made might have been better employed in referring to the people of my faith. Why did he not just say that for some reason or other, Jews do not drink as much as other people do, the same as he has referred to Moslems and himself, rather than suggest that it was the monetary consideration, which is really unworthy of the hon. member, and I think he should withdraw it.

Mr. Ben: I think the hon. Minister is demeaning his own race. If his race is not big enough to take a statement like I made and take it in the spirit in which it was offered then all I can suggest is that the hon. Minister is not a member of it, because I have always found them to be big enough to accept levity.

Hon. Mr. Grossman: Mr. Speaker, I am prepared—

Mr. Ben: Mr. Speaker, I will not apologize because I did not make any demeaning statement.

Hon. Mr. Grossman: On a point of order, I am prepared to have the hon. member—as a matter of fact that is the reason I got up on my feet—prepared for the hon. member to tell us the spirit in which he made the statement, and that is precisely the point I was making.

Mr. Ben: I will not deign to answer an insult like that. It is an insult and it belittles —I have lost respect for the hon. Minister, he is over-sensitive and he is insulting his co-religionists.

Hon. Mr. Grossman: Mr. Speaker, on a point of order, it ill-behooves the hon. member to say I am over-sensitive on this. I come from a race of people who have been charged with all sorts of heinous crimes because they are alleged to have an interest in money and the

hon. member knows that. He should not have said what he did. I thought the hon. member would have been big enough to get up and say, "I am sorry that I made the statement. I did not really mean it, perhaps, the way it sounded," and that is what he should have said, and I still plead with him to get up and do the honourable thing in this case.

Mr. MacDonald: Let us see if he is big enough to retract it.

Mr. Ben: Not on your life, Mr. Speaker. This insulting individual over there, the Minister of Correctional Services, knows well, full well, that I have so many friends in the Jewish community and that I tell jokes in a dialect. Now, I will not even endure such a slur. If anyone should apologize, it is he.

Mr. MacDonald: Be big enough!

Mr. Ben: Be big enough. Do not be ridiculous. The member is asinine. He is a childish as the Minister is, and I am insulted by his remarks. I say shame to him. Good grief! I pointed out that in those two groups that I mentioned there does not seem to be the alcoholism. I did say they did not drink as much as any other group. I just said there seems to be less alcoholism.

Hon. Mr. Grossman: There is less.

Mr. Ben: All right.

Mr. C. G. Pilkey (Oshawa): I hope he is not speaking for the Liberal Party.

Mr. Ben: I will let the Jewish community judge me on what I have done in the past.

Hon. Mr. Grossman: That is what I was hoping to do, and I am surprised that the hon. member said what he did. But I am not going to let it be known that I was sitting here listening to the statement he made and let it pass, because I would not want anyone to think I would sit here and let it pass.

Mr. Ben: Well, the Minister did sit there and let it pass for about five minutes.

Hon. Mr. Grossman: Well, I was waiting for the opportunity, for the hon. member to sit down. But then he answered his own question and referred to some reason why he did not drink so much. I was hoping he would give the same reason for other people.

Mr. Ben: I only apologize if I do something wrong.

Interjections by hon. members.

Mr. Ben: Well, if they want to express anti-Semitism, let them. For me being demeaning like that—catering to a particular group—shows there is prejudice and I will not show it.

I say "shame" to him, I have never been so insulted in my life.

Mr. Speaker, this is a democratic House, but since the House leader ordered me to sit down, I will sit down.

Mr. Speaker: The Speaker feels that if certain feelings of certain members of the House have been deeply or at all hurt as a result of this sort of thing, then I would think that the member might very well reconsider his statement.

Mr. Ben: Oh, let that man get up and say he sincerely feels that I insulted him and his race.

Interjections by many hon. members.

Hon. Mr. Grossman: Mr. Speaker, I want to make it quite clear that I said earlier—and if the hon. member will check *Hansard*—that I was surprised that these remarks came from the hon. member because I know his feelings. I said I gave him the opportunity to withdraw them because I know he would not want the wrong impression to go out, that he felt this way. Now, this is precisely what the hon. member is objecting to, and this is precisely the reason why I got up.

Mr. M. Shulman (High Park): Mr. Speaker, I would like to join myself, as a member of the Jewish race, with the remarks made by the Minister of Correctional Services, I think there has been an unfortunate comment made here. I know the member for Humber very well. I know him not to be anti-Semitic. Let me say this, I think the comment which slipped out was misconstrued, and I would like to suggest, knowing him as well as we do and knowing his temper as well as we do, that we let it pass and go on to something else.

Mr. Speaker: Yes, thank you very much. I think this matter has gone far enough. The member, I think we all agree—I would not wish to put words in his mouth unnecessarily—but I think we all agree, did not intend the implication that has been attributed to it, and I think we can drop the matter there.

Mr. Ben: Mr. Speaker, I grew up on Kensington Avenue which is what these two hon. members cannot say. I spent the greater part of my life in a Jewish community. I want

the Jewish community to judge me, not these two.

Mr. Speaker: I suggest that we go on with the debate at this stage.

Mr. Bukator: Mr. Speaker, I have heard some remarks about Judge Robb long before I came into this House, and since I have been here I have heard many people actually insult and pick on this man where he could not defend himself. I personally feel that Judge Robb himself is a gentleman of a type that I would like to meet daily.

He does an excellent job. He is a man in a high office, a very humble individual who is trying to do a good job for us. For this I respect him. If he is not doing the job he ought to for this province, I blame the regulations and the statutes. I am not going to tell you that I have a wreath over my head—

Mr. White: Do not spoil it now, it was so nice.

Mr. Bukator: Well, sir, I would like to repeat that the statutes and the regulations are wrong. If they were to close the breweries and the liquor stores tomorrow morning, it would offend me not because I touch the stuff very little. I do not suppose I have drunk a bottle of liquor in 25 years. I like a little wine, especially if it is made in the banana belt where the hon. Minister and I come from. A little wine now and then, especially if it comes from the Niagara peninsula.

Mr. Nixon: For the stomach's sake.

Mr. Bukator: It is a Canadian wine, a domestic wine that we have a lot of respect for. But what I wanted to say to you, Mr. Speaker, and through you to this House, and especially to the Minister, is that the day of the local option is a thing of the past. It served a purpose and I do not think it does any more. Let me cite two instances:

The hon. member for Grey-Bruce—they did have a vote in Owen Sound and lost that vote by a fraction of one per cent; 60 per cent of the vote was needed to carry on a local option and they had 59 and a fraction of one per cent and lost an opportunity to give that city and the people of that city an opportunity to drink beer and whisky if they wanted.

Having said that for Owen Sound, let me tell you of the position I find myself in. I live in the little village of Chippewa, between the township of Willoughby and the city of Niagara Falls—a village of some 700 acres where we are very readily accessible to whisky and beer in the city of Niagara Falls and within the township. But again this village does not have it and have never had a local option vote. If annexation of the village of Chippewa would have come about when the city applied to take it in, it would have automatically been a part of the city of Niagara Falls—a population of over 50,000—and then the restaurants and the hotels could have had—the Minister shakes his head as though that is not so—but if that village was taken into the city and became a part of the city, they could have liquor and beer in their outlets. If that is not so, then the regulation and the statute is wrong also in that area.

I find it rather odd to think of a city on one side and a township on the other with a village in between not having the opportunity to go to their local restaurants, but having to jump in their car and drive to the city of Niagara Falls if they want to drink with their meal. This, in my opinion, does not make sense.

An hon. member: Niagara Falls, New York.

Mr. Bukator: Yes, as a matter of fact, the city of Niagara Falls, New York have been doing quite well since we have had this strike, but I am not going to dwell on that too long. The point I would like to make this day, Mr. Speaker, and I hope that it falls on the ears of the right people, the day of the local option is finished. They ought to do away with it. Now if they do not, they should put this in a very democratic way of doing business, 51 per cent of the vote ought to carry. At least, that change ought to be made and, in most cases, if that kind of vote would have been taken in the cities that have lost their vote, it would have carried. So the majority vote would have done the job for us.

As one who realizes that many people want this with their meals and want it in their homes—and I think they are entitled to it—I cannot find, under any stretch of the imagination, how a city like Owen Sound could be treated the way they were recently. And the only way they can come by it? I guess it is three or four years before they can have another vote. Three years! Well, it is well established now, they cannot have a vote for three years.

Now is it not odd, Mr. Speaker, through you again to the people who will hear, that a very small amendment to the statute would make it possible for cities like Owen Sound and many others to have what they get anyhow with a certain amount of inconvenience? I say to this hon. Minister, to prove that he is earning his keep—I have not seen too much

activity on his part except the routine work that they have to do—he could use a little imagination and, in this particular instance, as one who does not use it—broaden it and make it convenient for the people who want it to happen. We are living with an antiquated type of statute and regulation and it ought not to exist in this modern age.

Mr. R. Haggerty (Welland South): Mr. Speaker, perhaps I will follow the same line as the members for Niagara Falls and Grey-Bruce.

One wonders at the liquor licence board and government of the province of Ontario. We have a bill of rights in Ontario. We talk about human rights and equal rights—equality of opportunity to all persons. The liquor licence board of Ontario uses discriminatory practices under its regulations.

The Liquor Licence Act provides that in local option areas, for other than clubs, there must be a vote of several questions which are set out in the Act. In the township in my riding, Welland South, such a question was put to the electors and remained dry. The voter had rejected the sale of liquor or alcoholic beverages in that municipality but yet the liquor licence board of Ontario, with all its power, can issue licences to provide clubs against the decision of the voters of that township.

I believe that, if you are going to provide regulations for the sale of alcoholic beverages in Ontario, all those concerned must be treated on an equal basis—that the law should not be so ambiguous or serve a dual purpose, that this board can issue a licence in a dry municipality. We have in Ontario many tourist establishments that contribute to the bringing in of the tourist dollars to this province. Many of these tourist establishments have liquor on the premises for the guests under special banquet licence, yet all can be issued in a dry municipality.

It is time that the Liquor Licence Board of Ontario revised its regulations so that the tourist establishments may be treated on the same basis as private clubs and liquor can be served with their meals.

Mr. Speaker: The member for Hamilton East.

Mr. Gisborn: Mr. Speaker, I have got a few comments to make. I might say first that our party has no official positions on the liquor question of this province. Anything I suggest will be my own feelings, from my own observations and I think, from listening to the comments from the benches of the Liberal Party, that they have no firm liquor policies either.

It is obvious from what we know about the liquor policy in this province that the Conservative government has a liquor policy—a pretty firm one—and certainly, individuals must find fault with many parts of their policy.

Now just a few brief things I have observed that have become indignant concerns to people of the province. That is many of the ways they have to obtain their liquor—the silliness about having to sign your name and address to purchase beer and liquor. I have talked to employees in the liquor stores as to why they think this is necessary and they tell me it is an important function and that it is necessary, absolutely necessary, to keep proper accounting. If they are short cash in the evening they have to go back through these forms and they can tell exactly where the mistake was made.

Certainly, other provinces of this country are just as interested in proper accounting procedures, but you do not have to sign your name and address to obtain your liquor. I think it is about time we grew up in this province and did away with that silly requirement of signing your name and address when you want to purchase your drink.

Sunday drinking, again. The new regulations that came in not long ago to allow Sunday drinking in a dining room between 1:30 and 5:30 in the afternoon, where you have to obtain a meal.

Obtaining the meal is one thing, but you run into many occasions where—and I have had this happen to myself and it has been raised by other people in my area as well. They will have guests drop in; they want to take them out for dinner; they have already had their own dinner and they will take them to an establishment where they can get a drink with their dinner. But they cannot have a drink if they do not eat also, They cannot sit down with their guests. In most cases you do not get a very good welcome from the establishment if you fill a chair, just sitting there and talking to your guests.

I think that is one area where we could take a reasonable look and do away with this nonsense of everyone in a party having to eat. If they are in the same party, as long as one or two have a meal, anyone should be able to accompany them and also have a drink.

There is the broad question of the monopoly of the breweries in this province and the distribution system. I am not going to get

into that, because I am not of the legalistic mind to deal with them properly, but certainly, in a so-called free-enterprise system, one wonders what we mean by "free-enterprise" when we have the monopoly we have in this province of the breweries and distributing system.

Now, the distributing system. One could likely put up a perfect argument that it is the most efficient and most economical and one might not be able to deny it. But being efficient and economical depends on who receives the benefit from a system that is efficient and economical. I do not think the public receives the benefit of the savings of that system.

It has been mentioned by many of the kind of restrictive procedures involved in obtaining a licence and I was surprised to hear the member for London South say that there are so many licences being issued in his area that some of the establishments are going broke or losing money. This is hard to understand. I would have to see some substantiation for that case before I could swallow it, because if you read in the paper, the turnover of an establishment, a liquor establishment, you just wonder what justifies the price.

I have watched in Hamilton, ever since we had the taverns opened many years ago. Some of the establishments of that time were old houses, renovated at the time they were allowed to open up and sell beer as a public house. They had two or three rooms upstairs and added two more to give them the proper number of rooms. But when you see the amount of money that they turn over for, it just floors you. Then you have to add up, when someone says they are not making any money. I know several in the city, $175,000 to turn over the business—never mind the property, that is just the business—and then someone tells you they are not making money.

Last summer we had quite an outcry over the freeing of the pricing and quantity of serving in the draft beer field. Again, I wondered what kind of restrictive trade practices and combine practices regulations we had. I do not know who could initiate it, but immediately that decision was made by the board to free the price of draft beer and the quantity, the hotel owners—both in Toronto and Hamilton, being specific—called a meeting to decide on what price they were going to charge and how much beer they were going to serve in the glass, as a strict reversal of the so-called free-enterprise system.

I understand there was a group in Toronto that applied for an injunction against this taking place and I have not heard what happened to the application, but it must have failed. Nevertheless, it does make you wonder who has control of this kind of a thing.

One of the members in the Liberal Party mentioned his being in favour of the sale of beer in the grocery stores. I do not know, there are very few so-called grocery stores any more.

I am in favour of some relaxation of the system, but I would think, if that came about, you would find that you would have the same thing happen in supermarkets as we have now in the warehousing distribution centres. They would monopolize it. The supermarkets would set up their special stores, and there would not be much difference in going in to the special stores established by the supermarkets that you have at the present time.

I myself would be in favour of a relaxation of this monopoly of taverns and liquor outlets. I have been told that in Hamilton—and I have never had any way of substantiating it—but I have been told more than once that about six people have the controlling interest in all of the liquor outlets in Hamilton—the cocktail lounges and the taverns. That is not good, and I think that we have to start thinking about some changes.

My own personal feeling is an in-between of the English system and the American system of community pubs. I think that the sooner we get away from the type of tavern we have now, the better it is going to be for everybody. In cleanliness—a proper place to drink, and develop a more community drinking style habit.

Surely we should be able to allow two or three people to get together with enough money to establish a good corner-community pub, and see that it is run properly and kept clean, so that the people can get to a glass of beer without jumping in their cars and driving two or three miles, as you have to do in some ridings in Hamilton. If you look at the mountain portion of Hamilton, up until three or four years ago, before they extended the boundaries, there was not one pub on the mountain. You could not get a glass of beer in a tavern on the mountain in the city. Now they have expanded the boundaries where they have now two. In my own riding—an average riding—there are only three taverns. People have to drive as far as four miles from one end of the riding to the other to get a glass of beer.

I think, too, that we could take the emphasis off the sale of liquor in this province by

replacing the income we have from the sale by a tax on the advertising. A matching tax per dollar for advertisements to take place of the reduction in revenue in taking emphasis off the sale of liquor to the extent that we have in this province.

I want to pose one question with the Provincial Secretary, and I would like an answer. I believe I am right to say that regarding the bottled beers and the canned beers the price is still set by the board—it is not the free-price as we have in the draught beer—and we sell 24 bottles for $4.79 with 50 cents rebate on the bottles which brings the net cost to $4.29 for your beer.

Now we have beer in cans—and I cannot understand why we have to pay $5.20 for the same amount of beer because it is in cans. People do not have the problem of taking them back, but they have to pay the difference of $4.29 and $5.20 for 24 bottles of canned beer. I would like to know the reason for the price set on canned beer. I think if it was equalized it would do something in all areas.

I understand the glass factories that make the bottles are going full blast—they are expanding. I have talked to employees and they say that the making of beer bottles is a small part of their production now. They are not too worried about it. But we are worried about the tin-plate production in this country.

We have not reached the kind of a market yet that we can use with all our production capacity, and I think that we could increase the sale of beer in cans if we equalized the price. I would ask the Minister to just comment on this question.

Mr. Speaker: The member for Halton East has the floor.

Mr. J. W. Snow (Halton East): Mr. Speaker, I have a few remarks I would like to make this evening when the House is engaged in a discussion into the operation of the LCBO and the liquor licence board. My main remark is, one place that I feel we have an inequality of opportunity in Ontario, and this is in liquor licensing.

In my riding we have four branches of the Royal Canadian legion, and each one of these branches has a large investment in real estate and equipment. All have new modern facilities, including their club rooms, dining rooms, banquet halls and so on. Each of these branches has a large membership of men who fought for the freedom that this country enjoys, and yet this organization cannot enjoy the privilege of having a drink in their establishment, although golf clubs, curling clubs and many other organizations are able to have liquor licences for their members.

I have no real criticism with the liquor licence board, I believe they are working within the statutes of the province of Ontario as set out by this legislation, but I do feel in this case that perhaps the time has come when consideration should be given to some change in these statutes whereby branches of the Canadian legion can enjoy the privilege of having bars in their premises. Any legion branch which can come up with the proper facilities and which meets the fire standards and all the rest of the standards set up by the LCBO should, I feel, be able to receive a licence.

Mr. Speaker: The member for Sudbury.

Mr. Sopha: Mr. Speaker, it strikes me that in listening to the several hours of debate that this discourse proceeds upon the basis laid down by the ancient scribe when he said that only the devil can properly rebuke sin, the good do not know about it.

Now I wanted to take the opportunity as is my obligation here, in a very real sense I am paid to complain, and to complain about what I conceive to be injustices to the people that I represent. Tomorrow when the Provincial Secretary answers the question I will have no opportunity to make any comments, but he will tell us tomorrow that there exists a 26-cent differential in the price of beer in northern Ontario and southern Ontario.

I made the mistake of asking the liquor board today, early this morning, what the price was at retail to the customer purchasing 24 bottles of beer. That was a mistake. You never ask the supplier the price. You should ask the purchaser. I knew the figures were wrong, and I telephoned a trencherman in Sudbury.

The liquor board had told me that a case of beer in Sudbury costs $4.72. It does not. It costs $5.05. The liquor board told me that a case of beer in Formosa costs $4.46. It does not. It costs $4.79. Those are the correct figures—$5.05 and $4.79. Now I ask, sir, what is the justification in a government monopoly in discriminating in price on the basis of where the people in this province live?

It is to be noted, of course, in respect of that discrimination that the Premier promised an explanation of it two or two and a half months ago. He informed me, through you,

that he had requested an explanation and would let me have it in due course. Well, two or two and a half months have gone and the explanation must be a very involved one.

I can put the principle in the sale of the commodity in very simple terms. If it is a matter of transportation cost that justifies that discrimination then I would say that what ought to be done is that the transportation costs over the whole province ought to be moulded in to the price of the product, and then the product sold at a uniform price whether the purchaser lives in Atikokan or Richmond Hill.

It is to be noted that Cornwall, Windsor and Sudbury area all about 250 miles from Toronto, and the price of beer in Cornwall and Windsor is exactly the same as it is in Toronto. Yet in Sudbury there is a discriminatory price of 29 cents a case paid.

I would like to hear from the Provincial Secretary what representations in respect to this injustice have been made to him by the Minister of Lands and Forests (Mr. Brunelle) and the Attorney General (Mr. Wishart). Or am I the only representative of northern Ontario who draws these wrongs to the attention of the House?

Interjections by hon. members.

Mr. Sopha: I am not encompassing the merchants of Threadneedle Street in this, but they got in on the fringes, and I do not recall having ever heard a bark from them about this. But I say that the whole problem—and I raised it when beer was flowing freely through the province and could be had everywhere—is etched in even more severe lines during the current drought when we have only two breweries, Dorans, with several branches in northern Ontario, one in Timmins, one in Sudbury and one at the Lakehead, and the Formosa Spring brewery, which I think is a single unitary enterprise at the village of Formosa.

Those were the only oases in the whole province making some effort to assuage the drought in their immediate areas. I am told that people from Toronto drive up to Formosa and avail themselves of the limited supply. I would ask, sir, where is the justice that the results of that journey can avail the product at $4.79 a case, but a drive from Sturgeon Falls into Sudbury—if you are fortunate enough to get a case of beer—means you pay a premium of 26 cents a case more?

On the other hand, in the liquor side we see total consistency. Indeed the Provincial Secretary, when I asked this question much earlier in the session, referred to a section of The Liquor Control Act which says that the price of whisky, or spirits, shall be uniform throughout the province.

Well, if that is a justifiable posture to take, then surely it is just as sound for the fellow "spiritual" beverage, beer which, drank in quantities, can produce the same result as the imbibing of whisky. Now, I hope that having pointed to this several times, that government policy will be reviewed in respect of this. The necessary step should be taken to make the price uniform, no matter where it is purchased. I very deeply resent, as do most of my fellow citizens north of the French River resent, being discriminated against, as citizens of the province, on the basis of where you live. That is wrong, and it is wrong in respect of a government monopoly.

One could expect that to be the result of the activities of private enterprise, but it is unforgiveable when it is an operation involving the sale of a product that is under the complete control of the Province of Ontario. If you have any doubts as to the completeness of this control, it is so complete that several years ago, when the federal government was so unwise as to lay a charge against Canadian Breweries, and after months of testimony before Chief Justice McRuer, the charge was dismissed against them—the charge being one of operating a combine—on the simple grounds that none of the breweries in the province fixed the prices. The defendants successfully pleaded, and their argument was accepted, that the price is fixed by the government whose decision in that regard is completely final, and there is no flexibility in pricing in the brewing industry at all.

Well, the argument then must lead to its obvious conclusion and the government must put a surcease to this form of discrimination, and make this product available throughout the province at the same price. I hope that my words will have some effect.

There is one other matter that I wished to bring to your attention, and that is to say, sir, that it is clear to me that the government, being in the liquor business in a big way, cannot be in this business of such monumental proportion, in the sale of a product and, at the same time, be for temperance. The two positions are too inconsistent to be adopted by the same posture at the same time.

Now, in respect of temperance, let me interpolate this. When the epitaph of John Diefenbaker is finally written, one of the things that will be remembered about him is that he tried to do something to make the tea party fashionable.

You will recall that when he adorned the office of Prime Minister of Canada, one of the customs that he put on the office was the serving of tea and coffee instead of spirits. Of course, that was a great break with tradition because, it is true to say and you know it, Mr. Speaker, in our society the culture syndrome is very much related to the serving of alcoholic beverages. In our sociology and mixing of people, alcohol has a place of preeminence that is far and beyond the importance that ought to be attributed to it.

Well, I will say this, in respect of the older generation, and the many people who show the very deleterious and degrading effects of the excessive consumption of alcohol, perhaps we have to admit that, in respect to them, we have failed, and we accept our failure. But, as the leader of the Opposition says, that with each new generation, there is hope and prospect for change. It is with that generation that we ought to be exhibiting our tremendous effort, to try to bring about some change in that cultural syndrome of the acceptance, and sophistication and prestige of alcohol.

I have said before—to give an illustration—that the problem of impaired driving, to take one important manifestation that causes a tremendous amount of suffering and pain for so many people, will never be broken until it becomes socially unacceptable conduct. Until the impaired driver is met with the same social response as the person who breaks and enters, or indecently assaults or various other crimes that are socially abhorred, he will never disappear.

This impaired driver, in many sectors of society, is treated with acceptance. And, of course, a great many people, in viewing his misfortune in the passage through the court, the conviction and loss of licence, sit there and think: "There, but for the grace of God, go I." It has not drawn to itself the social stigmata that any breach of the criminal code—I say, sir, as one lawyer to another—ought to draw from a society that like to think of itself as, and indeed is, generally law abiding.

Now the other thing, Mr. Speaker, you have heard me say this before, but I firmly believe that it canot be emphasized too much, that this government, which I say cannot be for temperance, ought to have a better regard for the victim of the sale of its product. I, too, use the word hypocrisy, and I think it a quite legitimate one. There is something very dichotomously paradoxical about a government that engages in the wholesale sale of spirituous beverage, makes a tremendous profit —something approaching $150 million a year, $1 out of $12 of the revenues of the province —and then on the other hand, pursues the person who drinks it to excess, and harries that person before the magistrate and into the jails.

I hope next year, Mr. Speaker, that so much having been said about this—and I put the figures on the record to show the number of people who are convicted in this province of intoxication—I hope that next year, perhaps, the blazing light of progress will dawn, and this province will take some step to eliminate this revolving door of the magistrate's court where the drunk is pursued into the court and punishment is inflicted upon a man who is in fact sick; and if he is unable to pay the fine, he is carried away to a place of incarceration.

I could not do better, and I want to put on the records—somebody outside the province may follow this debate, and you would be surprised the number of people that read *Hansard* judging from the mail that I get—I want to read into the record, this article of Professor J. D. Morton, a man of high reputation, a professor of law at Osgoode Hall and a very thoughtful person in matters of law. Indeed, his interests go beyond that, into the field of sociology and the workings of our society, and I am going to read this article into the records without stopping. It was published in the *Globe and Mail*. I am sorry I have not got the date but it was fairly recently. It is entitled "Law and Drunks":

> A few days ago the *Globe and Mail* printed a transcript of a part of the day's proceedings in a Toronto magistrate's court. The message was clear. Here we had yet another example of reactionary behaviour on the part of a magistrate—in this case the refusal of Magistrate S. Tupper Bigelow, Q.C., to allow those sentenced for drunkenness time to pay a fine in lieu of going to jail.
>
> Questions have been asked in the Ontario Legislature and Doctor Morton Shulman, NDP, High Park, is reported to have asked whether Attorney General, Arthur Wishart, proposed to have the magistrate removed apparently because of a remark attributed to the magistrate: "I do not give time to

pay on any offence under The Liquor Control Act."

Lest there be others so ill-informed as to put the blame on the magistrate for the foolishness of the Ontario Legislature, the philosophy of The Liquor Control Act should be briefly considered. Despite half-hearted attempts to change the Act it is still punitive in philosophy and apparently rests on the basis that those likely to get drunk in a public place can be frightened out of such behaviour.

The threat lies in the risk of fine or imprisonment—a notoriously ineffective threat when directed against those who do not fear the immediate unpleasant consequences of drunkenness. When Magistrate Bigelow sent the convicted men to jail he was acting on the only possible interpretation of the spirit of the legislation, to give time to pay a small fine would greatly diminish the punitive force of a fine. The only point of a $10 fine for a drunk is to take his last $10. The legislation is cruel and absurd and should be amended without further delay.

Tentative movements for reform have been directed to the substitution of detoxification centres for jails. To a drunk, a jail is a jail. A drunk does not want to be detoxified. He wants to be retoxified. The only point in interfering with drunks who are not disorderly is to protect the public from immediate offence and to secure the drunk from danger. This is accomplished by police action. The police arrest drunks and the function of the magistrate's court should properly be to validate such arrests.

No one should be arrested without an opportunity to question or complain to a judicial officer at the earliest reasonable time. This does not mean that he should be fined where there would be a few more distasteful sources of revenue nor that he should be sent to jail. Jail is said to have a revolving door policy for drunks. Why not put the revolving door on the magistrate's court, leaving chronic drunkenness, like mental disorder, to be dealt with by social agencies other than the criminal process?

The Liquor Control Act should be amended to provide that upon conviction for drunkenness in a public place the magistrate, whether it be the first or 100th offence, shall discharge the accused without imposing any penalty or making any order. Police interference with drunks would be justified and public places would be kept decent and safe without this ritualistic infliction of needless punishment.

Now it is strange to say, I referred to the Minister of Lands and Forests and his position in the Cabinet. And in the absence of any protest about the other matter that I raised—on the contrary when one points to the words of the Minister of Correctional Services, we have a Cabinet Minister who will stand in the House and will say that he in effect agrees with the sentiment of Professor Morton. Indeed, he has told me across the floor of the House, it is in the record, that he agrees with the propositions that I make about this needless, senseless, ridiculous system of hailing drunks into court.

Now both sit in the Cabinet. Who better can be the champion of some change of approach than the Minister of Correctional Services? He is given responsibility for the care and custody of these 56,000 people convicted—that portion of the 56,000 who were convicted in 1966 in Ontario, who come under his purview. One can hope and pray that the Minister of Correctional Services will have the necessary influence on his Cabinet colleagues and we can see some change.

It ought to be added, to see this thing in its total picture, that the arresting of drunks is highly discriminatory. It is only the poor drunks who are hailed into magistrate's court. The police only go to the areas of the city, town or village where people of lower incomes congregate. I have said, and no one has ever challenged it, that if the police wanted to station themselves outside the best golf clubs and other places of expensive retreat, they could get the high class drunk. There would be no problem with them, of course, in giving them time to pay—they can fork out the money in cash. But that is not the policy pursued.

I suspect that if a man in a higher economic order is apprehended by a policeman in an intoxicated condition the policeman would exercise his discretion by helping him to his home, might even drive him there. But that is not so when they go down into the areas that suffer from blight, especially when they go down into those areas in northern Ontario and they come on the Indian drunk, he has not got a chance.

He has not got a chance at all. I have seen it with bitter experience. He is immediately picked up and even the Indian women are hailed into the magistrate's court. That is a shameful practice. It is truly shameful and I

would like the government to tell me—I think it a valid challenge for information—the dollars and cents cost of processing a drunk through the magistrate's court. I would like to know how much of the policeman's time, the Crown attorney's time and the magistrate's is spent on putting the drunk in a place of incarceration?

I suspect that the total cost of dealing with a drunk is far more than the profit that is derived from the sale of the beverage to that person, when profit is so important to this government.

How important is it? Well, I can rely upon the words of Leslie Frost, which I shall never forget and which he uttered where the present Prime Minister sits. He stood in his place there and he spoke about the elasticity of the curve of supply and demand of the sale of liquor. If I wanted to search I would find those words in *Hansard*. He said:

> We have to be careful because we are so dependent on the revenue from liquor that we must not raise the price through taxes so high that we would cut back on the demand.

That was a very frank admission by a man accustomed to making frank admissions. In other words, in that sentence he acknowledged the dependence of this government upon the sale of liquor in this province. As I say, one dollar out of 12 of provincial money. Such a government, such a policy, cannot be consistent with temperance. We have to accept that this government will not be for temperance and can never be.

That takes us back to where the very debate began with the leader of the Opposition, that we cannot expect temperance with the older generation, the most that we can hope for is that we change the cultural syndrome and the configurations of liquor in our society so that the next generation does not treat it with the same degree of prestige and sophistication that their elders do.

That really is what the member for Humber and the member for Dovercourt were saying, and they are in a sense strangers to this society—coming from a different cultural background—and they cannot understand why it is that in North America liquor is given such a place of prominence.

It is given that place of prominence nightly on the television and the intent and the purpose of that advertising is nothing less than to make it respectable. To me, the advertising on television is far more interesting than the programmes. I can read my paper when the programme is on but I put it down when the advertising comes on because it is worth more study.

The liquor advertising is especially interesting because I see the same theme run through it—that drinking is respectable; it is the thing to do; you cannot be in the inner group unless you drink; that in order to be with it, avoid being a square, you have to be an imbiber of ethyl alcohol, a potable alcohol. It is hopeless for me to hope, they will change. I am not powerful enough to make them change. I would be guilty of an opiate miasma if I thought they were going to change. They are not going to change because these interests are too powerful.

And they finally brought this liquor board—when the present Minister of Correctional Services was the chairman of it—they brought it into submission. At that time, it got permission to advertise the wares on the television. Well, finally, look at the manifestations of that power that was granted to them.

Hon. Mr. Grossman: I must rise on a point of order. It is just the contrary. When I was chairman of the liquor control board of Ontario, I stopped one of the breweries from advertising on a Buffalo station because it was being beamed into this province. And I did not bring in any regulations that would loosen up the television advertising. The hon. member is wrong.

Mr. Sopha: Forgive me. I was wrong. My memory told me it was when he was chairman. It must have been when his successor was chairman. But certainly, it is of recent origin. I point to the sequel, I have not time to argue it. I will leave it in this fashion on the record because the liquor control board of Ontario granted the breweries the privilege of advertising on television.

Vancouver, British Columbia cannot have an NHL franchise. Now how do you like that? But that is true, it is arguable, it is supportable. We cannot have another national hockey league team in Canada because of the direct chain of cause and effect from that privilege granted by the government of this province. I note that there is sort of a willing acceptance of the veracity of that, of the validity of it.

Well, as I say, I cannot change that, cannot hope to change it. But I can plead with the leader of the Opposition that that well-spent money that is granted to the alcoholism and drug addiction research foundation finds

its way in the propaganda—used in its best sense—that infiltrates into the schools, into the minds of our young people; so that as they grow up they appreciate that you can live the full life and develop the personality to its utmost potential without dependence upon what can be, and is, a nefarious and a deleterious substance, if improperly used.

Mr. Pilkey: Mr. Chairman, I want to say, first of all, that as a member from the southern section of this province, I am not talking from a parochial view, in regard to the remarks that the member for Sudbury made. And I could not concur more on the question of uniformity, in terms of cost of beer in the province of Ontario. I really do think that there should be a uniform price and, as the member points out, let us take the costs right across the province and have one uniform price determined on the basis of the cost. I do not think there should be any discrimination in terms of cost of beer, particularly when it is of such a monopolistic nature in this province, and the price is determined from that point of view. So I could not concur more with his remarks.

But I do want to say, also, that along the lines of the member for Halton East, I understand that the Royal Canadian legion has made a number of presentations to this government. They have presented briefs and, I understand, very recently there was a meeting that did take place. I do not know all the government members that were involved but I know the Provincial Secretary was involved in that meeting, very recently, within the last six weeks I believe. The legion has made representation to this government on the basis of having a liquor licence installed in their buildings. I want to say that, in my opinion, if these buildings conform to The Department of Health standards, then I think they ought to be given a licence to serve liquor.

I have some suspicion, and I would hope it was just a suspicion in this regard, that the hotel operators are opposing the application. I hope that was only a suspicion, but it appears to me that someone with influence on this government is holding up the question of providing a liquor licence into the legion halls in this province.

The member for London South, earlier tonight, pointed out, when someone was speaking on this question, that licences are readily available, that as a matter of fact, some which had licences in London were going out of business, they were so plentiful. This is what the member for London South said. Now, if these licences are so plentiful, why are the legion branches in this province being denied the licence? Why do they have to get a special licence on a Saturday night for their members and their wives? They have to get a special licence to serve liquor on that evening. It is a very temporary licence.

I want to say that maybe I have some conflict of interest here because I am a member of the Royal Canadian legion and have been since the war. I think it is a good organization, where comradeship and fraternalism abound. The organization, over and above the question of providing a social service within the organization, is active in sports, in minor sports particularly. If there is any profit from these things it is ploughed back into a useful activity, as far as the legion branches are concerned across this province. They participate on a full scale basis on track and field events, as many of the members of this House know. I am of the opinion that this government ought to be giving them the consideration that is necessary. You cannot keep talking to them as they appear for your consideration for a licence, you cannot keep saying to them—"Well, we have got it under consideration, we recognize that there is a need for it, and that you should have it."—but then you continue to sit on their applications.

I think the government has considerable influence on the liquor control board of Ontario, and if they wanted to, they could place their influence to provide the necessary licences. I think that this is one of the service clubs in this province that are deserving of their request for a liquor licence through their application, and I would urge upon this government to honour that request and make sure that their organization find themselves in the position that they have the same rights and the same privileges of many other organizations across this province.

Mr. MacDonald: Mr. Speaker, without repeating the substance of my colleague's remarks—

Mr. Speaker: The member for Dufferin-Simcoe had my eye.

Mr. A. W. Downer (Dufferin-Simcoe): Mr. Speaker, I was going to move the adjournment of the debate.

Mr. Downer moves the adjournment of the debate.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, tomorrow I would like the House committee of the whole to deal with the bills that are there. There will be some second readings.

If any of the bills that are called for second reading are such that you need more time to study them, we will not deal with them. I think they are all pretty simple, and I think most of the members understand the principles involved.

Following that we will deal with the estimates of The Department of Municipal Affairs. Then we still have to deal with the consideration of the report of the workmen's compensation board of Ontario, that is on the list. We will see how we get along with what I suggested first and that will then be the next order of business called.

Mr. D. C. MacDonald (York South): Municipal Affairs before we resume the LCBO and WCB?

Hon. Mr. Robarts: Yes.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:30 o'clock, p.m.

No. 150

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Tuesday, July 16, 1968

Morning Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JULY 16, 1968

The House met at 10:00 o'clock, a.m.

Prayers.

Mr. Speaker: Later this morning we are to have some guests in the east gallery from Woburn collegiate, who are hosting the Young Voyageur Group from Saskatchewan. This is the exchange of students about which we have all heard so much, and I am sure that when these young people come they will be welcome, and I hope, will enjoy the proceedings, despite the warmth of the chamber.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

Mr. Speaker: Last week the member for High Park (Mr. Shulman) rising on a point of privilege appealed to Mr. Speaker and to the leader of the government with respect to a certain newspaper report. In company with the member for High Park and the member for Humber (Mr. Ben) I listened to the taped recording of the proceedings of the House on the occasion giving rise to the report. It was quite evident from this recording what actually was said on this occasion.

Yesterday I received a letter from the member for High Park in which he stated that in view of correspondence received by him from the newspaper in question he wished to withdraw his request that the publisher of the newspaper which published the report in question be called before the Bar of the House.

In order, however, that the mistaken view of the member for High Park as to the procedure to be followed in this House under such circumstances may be corrected and as guidance for the members in the future, I wish to clarify such procedure.

The procedure to bring an offender before the Bar of the House is one which has not been used in this Legislature for a very long time. In fact, in the only instance of which I can find record, the offender presented himself before the Bar of the House voluntarily, so that the procedure to force his attendance was not required. However, the procedure for such is as follows:

If the offence complained of is an article published in a newspaper, the member raising the matter stands in his place on a matter of privilege, informs the House through the Speaker of the particulars of his complaint, and either sends it to the table to be read, or else reads it himself before sending it to the table, in which case the reading at the table is usually dispensed with.

He then moves a motion to declare the article a breach of one of the privileges of the House. This motion is debatable and if defeated ends the matter. If, however, the motion is adopted, the mover may then move a second motion to call the offender before the Bar of the House.

It is interesting to note that in the House of Commons in the United Kingdom, for some time past, the second motion is not moved; the House has contented itself with recording by its vote, that a breach of privilege has occurred but has not proceeded to the punitive action of calling the offender before the Bar of the House.

It should be noted that if the member declines to move the first motion, that is declaring the article a breach of privilege, that ends the matter and the House proceeds to the orders of the day without reaching any decision on the alleged offence. Furthermore, such motions must have a seconder and if there is no seconder the matter is dropped.

Now last evening I sensed that perhaps the House had wished to change its view of the afternoon with respect to dress in the House. I would point out that so far as I am concerned the sense or view of the House is that which governs the House both with respect to its rules, and with respect to its procedures. I have taken the liberty, as the members will notice, of placing the gallery attendants in more comfortable wear, and the page boys as far as possible. The House attendants by this afternoon, I hope, will be more comfortable, and also our police who are on duty.

Therefore the members may wish to change their views with respect to the order of dress for the remainder of this session. I think it should be for the remainder of this session so that the matter may be dealt with between sessions along with many other things which we wish to deal with concerning the affairs of this House, and we will then have a free hand to do so.

Therefore, unless someone now wishes to speak to this particular matter, I would be glad by a standing vote to ascertain the views of the members with respect to dress when the Legislature is sitting as a Legislature and not in committee. I do not know whether the leader of the government would wish to speak on this matter.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I would simply like to say that I will support the relaxation in dress here. I do not really see much difference between the House sitting in committee and the House sitting as a House as far as dress is concerned. There are certain differences of course in the procedure. And I would say this, too, that if we are to look forward to sitting during the hot weather, which perhaps we and our successors must look forward to doing, then it seems to me that the answer to this whole problem is to change the environment in the chamber. And I can assure the hon. members that I have not any idea how difficult this might be; this is an old building and this is a very large chamber, and I am not a mechanic, I could not tell you. But in any event I can assure the members that between now and the next time that this particular situation might arise, I will ask the hon. Minister of Public Works (Mr. Connell) and his people to see if some arrangements cannot be made so that we would be sufficiently comfortable that the question would not arise. Therefore I will support the relaxation of dress, Mr. Speaker, in this particular method in which you are dealing with the situation.

Mr. R. F. Nixon (Leader of the Opposition): I intend to do likewise; I believe that the dress should depend upon the heat and the humidity in the chamber, and not upon the particular order of business.

Mr. D. C. MacDonald (York South): Mr. Speaker, I said my piece last night. I think common sense, with the prospect of 90 degrees outside and 100-plus inside, would lead us to a full relaxation for at least the rest of this session.

Mr. Speaker: Then perhaps those members who are in favour of the order of dress for the House when sitting as a Legislature, being the same as when sitting in committee —that a jacket is not required—and that the relaxation be for the remainder of this session, would perhaps please rise so that the Clerk of the House may ascertain the views of the members. I do not think you will need to count. I shall not call for the opposite opinion because the overwhelming number of members are in favour. Now, may I again say today what I said last evening, when the matter was raised, that I would hope that for the purpose of a reasonable-appearing chamber during the rest of this session, when we do have the visitors and tourists from other areas here, that members will endeavour to wear a type of shirt that will not make this look like Sunnyside rather than the House of Parliament of the province of Ontario?

On behalf of the Clerk of the House, and the clerks at the table and the Speaker, I would like to have some suggestions as to how the atmosphere for these legal people and the Speaker could likewise be relaxed. But I must say that for the life of us we have not been able to come up with an appropriate dress, though I would welcome a good suggestion.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, I hope you will not permit them to disrobe!

Hon. Mr. Robarts: Mr. Speaker, before the orders of the day, the hon. member for Windsor-Walkerville (Mr. B. Newman) asked me yesterday about what we were doing as far as the postal strike was concerned, at least that was the burden of his question.

We have sent out cheques; various cheques that go out from the government. These were dispatched some days ago in anticipation of the strike, although we hoped along with everyone else in the country, that it would not occur. We have made arrangements within the government itself for certain emergency actions so that our own governmental functions would not be disrupted. All departments and commissions of the government has been notified of specific centres along nine designated mail routes throughout the province where the government's interdepartmental correspondence will be delivered and picked up daily by a special courier service.

The mail radiates out of Toronto to and from nine destinations: Windsor, Brantford, Cornwall, Ottawa, Fort Erie, Owen Sound, Sudbury, Timmins and the Lakehead, and

there are government offices in as many as eight communities along each of these routes. We will use trucks; we will use cars; we will use our own aircraft. They will be operated primarily by the provincial police, The Department of Highways and The Department of Lands and Forests, and this entire service will be operated by the legislative post office here at Queen's Park.

We have experience in this, because we set up a similar form of organization during a postal strike in July, 1965, and at that time we found we were able to operate for the period of strike without any real interruption in the interdepartmental function of the government.

Mr. Speaker: The Minister of Trade and Development has the answer to a question previously asked.

Hon. S. J. Randall (Minister of Trade and Development): The question was: "What are the department's plans for the renovation of the building purchased in Kirkland Lake for student housing? Will it be completed and ready for occupancy in time for the 1968-1969 school term?"

The answer: The Ontario student housing corporation was contacted by the superintendent of properties, Mr. W. K. Newell, of the northern college of applied arts and technology, concerning the reconversion of an existing building in Kirkland Lake for a student residence on March 15, 1968.

Representatives of the Ontario student housing corporation met with the president, Mr. O. E. Wallie, and Mr. W. K. Newall, superintendent of properties of the college, in Timmins on April 16, 1968. They were advised that The Department of Public Works had originally purchased this particular structure in Kirkland Lake and that it had been given to the college for use as a possible residence. The present structure would require extensive renovations in order to meet the requirements for federal financing from central mortgage and housing corporation. The corporation suggested that if the cost of renovations were not economically feasible, they would undertake, subject to the approval of The Department of Education, as required by regulations, to provide new student accommodation on the Kirkland Lake campus.

On April 29, 1968 the corporation advised Mr. W. K. Newell in writing of the procedures in obtaining approval from The Department of Education to allow this corporation to enter into negotiations with the northern college of applied arts and technology to undertake, either the renovation of the present structure or, alternatively, the development of new student accommodation on the Kirkland Lake campus.

The corporation, as of this date, has not been advised by the college to proceed with the development of the student accommodation.

Mr. Speaker: The member for York South.

Mr. MacDonald: Mr. Speaker, I have a question for the Prime Minister, in the absence of the Attorney General (Mr. Wishart).

Has the chief of police the right to summon a magistrate to his office to discuss a judgment with which he disagrees, as reported in the case of Police Chief Mackie, and Magistrate Renicks, in the Toronto *Daily Star* of July 13?

Hon. Mr. Robarts: No, Mr. Speaker, the chief of police has no right to summon a magistrate to his office. In the particular case which gave rise to this—I believe I have a copy of it here—it was an invitation, it was not a summons.

Believe me there is a difference, and the word used in the report I have is he was invited. Now if he had refused the invitation, that would be the end of the matter, but in the particular circumstances I am told that there was some misunderstanding. The parties got together and discussed it on a mutual basis, and that was the end of the matter, and such a discussion could not be interpreted as being in any way wrong.

On the other hand, a direct answer to the question is "no."

Mr. Speaker: The member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Speaker, a question for the Minister of Reform Institutions.

I would like to add one word: Will the Minister investigate why only one guard was on cell duty at the Milton county jail when three prisoners beat up a fellow prisoner, as was reported during the trial of these three prisoners?

Hon. A. Grossman (Minister of Correctional Services): Mr. Speaker, on behalf of the Minister of Correctional Services, I am pleased to advise the hon. member that—

Mr. Speaker: Might I point out that the bill changing the name of the Minister has not yet been passed? The department is now The Department of Correctional Services, but the executive council amendment bill is still before the House.

Hon. Mr. Grossman: I am glad to be advised of that, Mr. Speaker. I had better change my letterheads back.

Mr. Speaker, upon receiving this question this morning in my office, I immediately caused an investigation to begin. I will advise the hon. members as soon as we have a report of same.

Mr. Deans: Could I ask a supplementary question?

Would the Minister read the report of the magistrate?

Hon. Mr. Grossman: Mr. Speaker, it is our intention to get a transcript of the evidence.

Mr. Speaker: The member for Windsor West.

Mr. H. Peacock (Windsor West): Mr. Speaker, I have a question of the hon. Minister of Education and University Affairs.

Has the Minister replied in the affirmative to the request of the St. Clair college faculty association for faculty representation on the college board of governors?

Does the Minister's answer apply to all such requests to faculty representation on the board of governors of any college of applied arts and sciences?

Hon. W. G. Davis (Minister of University Affairs): Definitely. I have had a request from the faculty association of the college.

Mr. MacDonald: Mr. Speaker, I wonder, on a point of order, if you would permit a request—since there was not time for a question to be put at 9 o'clock this morning to somebody in the government, preferably the Minister of Health (Mr. Dymond)—for a statement, perhaps later today, on the threatened outbreak of diphtheria in London. The news of the death of the one little girl who was rushed to the hospital, I think, makes this a matter of great public concern.

I was hoping to put this request in the presence of the Minister of Health who has left the House.

Mr. Speaker: I will be glad to see that it is conveyed to the Minister because I am sure that everyone is concerned about the recurrence of an epidemic or a disease which everyone thought was pretty well stamped out in our province. I will be pleased to pass that along to the Minister and suggest that perhaps he might report to the House.

The Provincial Secretary.

Hon. R S. Welch (Provincial Secretary): Mr. Speaker, before the orders of the day, I wanted to reply to the question of the hon. member for Sudbury which was posed yesterday in connection with certain pricing of beer. He asked yesterday if I would inform the House what the price is of 24 bottles of beer sold at retail to a member of the public at Sudbury by Doran's Brewery Limited. The answer to this is $5.05; and at the Formosa brewery by the Formosa Springs Brewery Limited which would be $4.79.

His second question had to do with the reasons for the difference and I would point out, Mr. Speaker, that on March 14 I replied to a similar question by the hon. member and on that occasion I had the following to say:

> Mr. Speaker, in answering this question I would like to draw the hon member's attention to section 30, subsection two of The Liquor Control Board Act and advise him that I have been informed by the liquor control board of Ontario that since its inception in 1927, they have provided for the compensation for this additional freight charge to northern Ontario points.

I might add, Mr. Speaker, that the cost of operation at Doran's in the far northern cities is considerably higher than that of the southern Ontario breweries. I am told it is necessary to purchase their raw materials and containers in southern Ontario and transport the same to their respective plants as outlined.

Mr. E. W. Sopha (Sudbury): May I ask a supplementary question? Does the Minister consider that the circumstances in respect of Cornwall would be exactly the same in respect of Sudbury? Yet the price in Cornwall is the same as Toronto.

Hon. Mr. Welch: Doran's?

Mr. Sopha: Presumably. If you bought a case of Doran's in Toronto it would be $4.79.

Hon. Mr. Welch: Is that the case? Can you buy a case of Doran's?

Mr. Sopha: If you order it.

An hon. member: Which case?

Hon. Mr. Welch: Aside from the academic point, Mr. Speaker, I think the hon. member has missed the whole point of the question.

I listened to this debate last evening with respect to the differences in transportation costs. The point is that a case of beer from a southern Ontario brewery being shipped, of course, is beer which is manufactured here in southern Ontario. We are talking about a freight differential with respect to the supplies which Doran's has to obtain in order to

manufacture their beer in northern Ontario. So it is not just the cost of transporting the finished product. I would point out to the hon. member that there is also the transportation of the raw materials which have to be acquired before there is a finished product, which, of course, is part of the reason for the differential as I have already explained.

Mr. Sopha: You will be telling us we have no water with which to make beer.

Hon. Mr. Welch: The hon. member for Sudbury has reminded us about that many times in this House.

Mr. Speaker, I wonder if I might have the permission of the House to revert to the presentation of reports.

I beg leave to present to the House the report of the civil service commission for 1967.

Mr. Speaker: Before we get into the serious business of the House I think I should draw to the attention of the members how dangerous it is for them, if they have a son of legislative-page-age, to bring him down to the House. Earlier this season we ran short of pages and the member for Halton West (Mr. Kerr) brought his son down. He is now on duty. The member for Thunder Bay (Mr. Stokes) did likewise; we ran short of pages yesterday and today we have his son working for us here.

So I just point it out to the members that it is a dangerous practice to bring the young men down here when we are running into the shortage of pages. But I am very grateful to these young men for coming in and helping out at this tail-end of the session when the boys want to be on their holidays.

Hon. M. B. Dymond (Minister of Health): Before the orders of the day, while I was out answering the telephone I understand the member for York South had posed a question concerning a most unfortunate fatality. A child in the London area died of virulent diphtheria. The child was aged five and was said to have been immunized in Alberta two years ago, but still became ill last Friday. She was admitted to hospital on Sunday and unfortunately died in spite of an emergency surgical procedure which it was hoped would help tide her over the very difficult period of her infection. Since she had been swimming in the pool and many others were exposed to the possibility of the disease they were contacted and have been and will be called in as a precautionary measure and will be given a booster dose of immunizing toxoid.

We find it very difficult to understand why, at this present time, anyone should contract diphtheria at all when a very useful and successful procedure is available for immunization. We try our best to emphasize through educational means the necessity for having every infant immunized as soon after the child is born as is possible. The experience in Ontario has been and continues to be an excellent one indeed, but the fact that one child dies, no matter from where such came, causes us a very great deal of concern.

Hon. Mr. Robarts: Mr. Speaker, before the orders of the day I would like to table the answers to questions No. 9, 43 and 60. (See appendix, page 5722.)

Mr. Speaker: Orders of the day.

Clerk of the House: The 6th order, committee of the whole House, Mr. A. E. Reuter in the chair.

THE SECONDARY SCHOOLS AND BOARDS OF EDUCATION ACT

House in committee on Bill 44, An Act to amend The Secondary Schools and Boards of Education Act.

On section 1:

Hon. W. G. Davis (Minister of Education): Mr. Chairman, I have three amendments. I am having copies made available to the hon. leader of the Opposition (Mr. Nixon) and the hon. member for Peterborough (Mr. Pitman).

The first is a fairly lengthy amendment, and perhaps if they have their copies, they might follow with me. Actually it relates to section 92. I move that section 92 be amended by adding thereto the following subsection; 10(a), notwithstanding subsection 10, where the equalized residential and farm assessment of the property rateable for separate school purposes in a school division in a territorial district is less than five per cent of the equalized residential and farm assessment of all the rateable property in the school division.

And where equalized farm and residential assessment of the property rateable for public school purposes in a municipality, expressed as a percentage of the total residential and farm assessment of all such property in the school division, differs by 15 or more percentage points from the population of the municipality expressed as a percentage of the total population of all the municipalities comprising the school division, the clerks of the

district municipality shall proportion the number of members determined under clause (b) of subsection 6, as nearly as is practicable and in the proportion which the population of the municipality or combined municipalities bears to the total population of all the municipalities comprising the school division. The right of appeal, as provided in subsection 11 shall be based upon population rather than equalized farm and residential assessment, which subsection shall apply *mutatis mutandis*.

Mr. Chairman, the explanatory note, while it is a very lengthy section, explains the purpose of the amendment. I move that subsection 20 of section 92 be struck out and the following substituted therefor. Where, (a) it is determined under subsection 5, or 19, that the number of members to be elected by the separate school supporters of the county, district or municipality, of the school division exceeds four; or (b) the area of the school division is in excess of 2500 square miles, the county district, or municipality to be represented by each such member shall be determined in accordance with subsection 9, 10, and 11, which subsections apply *mutatis mutandis*, except that in subsections 10 and 11, equalized farm and residential assessment for the separate school supporters shall be used in the determination.

The third amendment relates to section 98. I move that section 98 be amended by striking out "superintendent" where it occurs in subsections one and two and substituting in each instance "director".

Mr. Chairman: Then shall the motion for the amendments carry?

Mr. W. G. Pitman (Peterborough): Mr. Chairman, I wonder if I could just speak to this first amendment? I would like to ask the hon. Minister whether it is in his mind that at some point in the future there might be some reassessment of the whole question of representation? I know that the Minister is aware that in many areas there has been some concern that in some cases the equalized residential and farm assessment is not an acceptable way of determining the number of representatives on the school board.

Although I do not think that the injustice is as serious as this amendment is trying to correct, in some cases—particularly in view of the fact that there is going to be continuing urbanization in Ontario on the one hand, and at the same time with the increase in the tourist accommodation and summer accommodation across the province—we might very well find the situation as you have beginning in Haliburton county, Victoria-Haliburton, and in Peterborough county where the non-permanent residential assessment distorts the reality, as the minister well knows.

In the area that I represent something like 69 per cent of the population and 72 per cent of the total assessment is represented by less than 50 per cent of the members on the board. I do not want to rehash this question at all, but I would like to have some indication from the Minister as to whether—when these larger units have been in operation for some time—there is a door opened by the particular amendment to reassess the whole basis of representation on the school boards?

Hon. Mr. Davis: Mr. Chairman, I do not think that there is anything inherent in this amendment to either close or open a door. I think that it will be determined by our experience. If we find that adjustments need to be made and improvements to be seen to, then we do not need to relate back to the amendment, we will just make them. It is as simple as that.

Mr. Chairman: Shall the motion for the amendments carry.

Motion agreed to.

Mr. E. R. Good (Waterloo North): Is this all under section 1, which is in fact the whole bill?

Mr. Chairman: Section 1.

Mr. Good: Is this the whole bill that you are talking about?

Mr. Chairman: Yes.

Mr. Good: Well, I would like to move an amendment that subsection 99, clause 1, be amended with the deletion of the words from "effective" on the third line, to "thereafter" on the fourth line, and by the addition to subsection (b), of the words "or defined as a school division in its own right." Thus the whole clause of subsection 99, section 1 will read as follows:

"With the approval of the Lieutenant Governor in council, and in accordance with the regulations (a) two or more adjoining school divisions may be combined to form one, and the board of the combined school divisions shall be a divisional board of education and (b) one or more municipalities may

be detached from a school division and attached to an adjoining school division or defined as a school division in its own right."

This I think is an important amendment that should be included. It would relieve the Minister of the straight and constringent confines in which he has to move inside the bill and give him the flexibility that could be used at his discretion. In effect it would give all areas of the province equal opportunity immediately, rather than in 1971, to be molded and drafted into the proper kind of school division which would be best suited for the educational needs of that particular area.

Mr. Chairman: The member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Chairman, I rise to support this amendment. It is important that in any well-run organization or operation of any type for the chief executive to be given guide lines but not to be tied down by predetermined and perhaps unwise limitations that do not give him the discretions necessary for the achievement of the objective. In this bill we have the objective of equalizing the opportunity for education throughout the province. But the province is very different in character. In some areas the population is scattered and by centralizing and bringing in larger districts, you may not in fact improve the educational standard whatsoever.

As a matter of fact there is a case before the courts in the Parry Sound area in which many of the residents claim that the standard of education has got worse, and yet the taxes have doubled because they have lost many of the advantages of a local interest, and their children's education has not changed. They are still going to the local school under the same conditions but the taxes have doubled.

These predetermined changes that we institute here at Queen's Park have not given them the advantages that they looked for. In cases such as this, the Minister should have the discretion to make the change himself without coming back to this Legislature. It seems to me the mark of any good executive—as this Minister is—to have the strength of character and ability to decide when exceptions and changes in boundary should be made, and not be seeking the strict limitation and hiding behind regulations.

One of the problems of the government today is that we hide behind limitations and we are afraid to make decisions to achieve the end objective ourselves—and so often people complain that their problem is the bureaucracy.

Hon. Mr. Davis: This very amendment means we do it by regulation. That is what is so fictitious.

Mr. Deacon: It seems to me to be very easy for the Minister to agree to a clause change here which gives him the right to—

Hon. Mr. Davis: We still have to do it by regulation.

Mr. Deacon: —divide or to bring together school divisions to achieve the objective and not be afraid of his own Act and his ability to put the objectives of that Act into effect. I strongly urge that this amendment be supported by all members who want to have the objectives of this Act achieved and these frustrating limiting factors not included in the Act as they have been.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, it has been interesting to watch the Minister's reaction even during the presentation of this amendment, since the idea was put before him as strongly as we know how in the standing committee—that in fact it is his responsibility as Minister not only to ask for the power to change the inflexible county boundaries where he sees fit, but that he should be prepared to make these changes not after a two-year wait and not by returning to the Legislature, but simply to ask for in this legislation the flexibility that will permit him to stake out the areas of school jurisdiction which are going to work and to shed the inflexibility that has been built into the bill by the wording of this subsection 99 that is presently being discussed.

Admittedly, during the discussions in committee the Minister has moved to some extent towards building in the kind of flexibility that we on this side feel is necessary if the bill is going to be modern and workable and meet emerging situations. I cannot for the life of me understand the hon. Minister's reasoning if he thinks he is going to convince those across the province who can put strong arguments to him for small but important changes away from the county boundaries by saying, "It is not permitted, the Legislature would not permit me to do this." In other words, he should have the power that would be contained—

Hon. Mr. Davis: Mr. Chairman—

Mr. Nixon: I wonder if—thanks very much—that would be contained in the bill if this amendment were to pass. Now the argument as to whether it is done by the Minister sending a message by passenger pigeon or doing it by regulation is not of great importance; the point is, he does not have to return to the Legislature after a two-year wait to make such reasonable changes as the Minister is aware will be needed in the near future. He wants this flexibility so he can say to those petitioners from across the province: "There is nothing I can do, the Legislature would not give me the power," when in fact it is his responsibility to ask for the power and to wield it in the efforts to get away from the main thing that is wrong with the bill as it is before us now, that is, the inflexibility of the old county boundaries.

I submit to you, Mr. Chairman, that while the department, under the Minister, has moved to some considerable extent to decrease the inflexibility—he has taken to himself to put two county groups together—still the Minister does not have the power to take a section from one school division and put it over with another. This, of course, is what we are—

Hon. Mr. Davis: I have, right here.

Mr. Nixon: But not to divide one county.

Hon. Mr. Davis: Well, there is a great distinction.

Mr. Nixon: All right, this is something that should be available to him. It should be available to him. There is not that great a distinction, and I cannot understand why the Minister is not prepared to accept this at this time.

The waiting period of two years is really an unuseable provision. If the change is required this month, or next year or two years from now, it makes no difference. The Minister should have the power to make that change. The amendment has been carefully worded by the hon. member for Waterloo North and I believe it is one that the House should consider. I would ask that the Minister consider it. It would give him the kind of bill that would make a much more workable reform in the education system.

Mr. Pitman: Mr. Chairman, this amendment is essentially the same amendment which the New Democratic Party placed before the committee.

We, too, felt that in certain cases it would be wise to give the Minister the power to amend the legislation or, at least, to create two or more school divisions within a single county unit, where educational needs indicated this would be an advantage. We have, I think, spoken against the inflexibility of this piece of legislation in this particular area.

I think the whole thing is, that, really, the Minister of Education is being, you might say, the forward thrust of the government's decision, or lack of decision, in relation to the whole question of regional government. I think the Minister has to hold on to the county, not because it is educationally viable, but because the government has not decided what they want to do about regional government and so, therefore, we will hang on to the county as the building block; we cannot allow the educational department to divide the county because this would undermine the viability of this unit as a governmental base.

It seems to me that this is unfortunate. First, because I think this is not a particularly useful gauge of effectiveness at the regional government level, but most important of all, because I think that educational needs are being placed second to some kind of vague decision which the government has made in relation to the governmental structure in other areas, in the future.

I think that the Minister must agree that there are two or three counties in this province where, certainly, the educational advantages would not be increased by including the entire county in the jurisdiction; because I think there are too many students; I think it does not give proper representation; it does not provide the feeling of oneness that you need, I think, in an educational jurisdiction where the people feel that they are a part of a single unit which has meaning for them.

As I have mentioned on other occasions, the Hall-Dennis report suggests that once you get over 20,000 students, you are not really gaining anything by having a larger unit. Indeed, you start to lose effectiveness because of the feeling of disorientation on the part of those people who are living in the area.

Now, I know what the Minister's problem is, that if we do go lower than the county for representation, it will open the door and all kinds of counties coming and saying, "We must have the opportunity to divide this city from that particular part of the county." But I think all of us in this Legislature can say that the game is up and the schools boards across the province realize the game is up. In fact, I stand in utter awe of this govern-

ment and particularly this Minister's planning. Nothing could have been more beautifully done, I hate to use the term "Machiavellian" because that has a kind of connotation I do not want to include—

Interjections by hon. members.

Mr. Pitman: But the timing was really, I think, unique. The hon. Prime Minister (Mr. Robarts) brings it down in November and all hell breaks loose, Mr. Chairman. You expected to see thousands of school board officials here, ready to burn the Parliament buildings down—

Hon. Mr. Davis: Well, the leader of the Opposition was trying to get them—

Mr. Pitman: I will come to that, Mr. Chairman.

Hon. A. Grossman (Minister of Correctional Services): That is the difference between good government and chaos.

Mr. Pitman: But the point is, the Minister in his inimitable way, used the old Roman precept of "divide and rule," and one by one, the boards came down, and they sat in his office, and the Minister smoked at them, and convinced them that this was really the best thing—

Mr. Nixon: Smoked at them?

Mr. Pitman: Well, this is Stephen Leacock's phrase. You know, this is the highest level of education—

Mr. Nixon: Those cigars are going to knock him out.

Hon. Mr. Grossman: It was not pot.

Mr. Pitman: So week by week the opposition began to soften, and to dissipate, so when the leader of the Opposition sent out all his invitations to all the 1,700 school boards to come to the committee on education, we only received a handful of them. But I must say that the sieve of the Minister did provide us with the few who really had a very strong case.

Now, this is why I return to this piece of legislation, this amendment. I do think that the Minister is, in a sense, being conned by the entire government into accepting the county unit, and I suggest that in the debates that will emerge, I am sure, under The Department of Municipal Affairs—

Hon. Mr. Grossman: The member does not know the Minister of Education.

Mr. Pitman: Well I am sure that the member does not know the Minister of Education as well as the Minister of Correctional Services.

However, to be serious about this, I think that we in this group must support this amendment. I think that it would provide essentially better education for those counties where the number of students, and where the size of the jurisdiction, and where educational necessities demand that there should be some division within a county unit.

Mr. D. C. MacDonald (York South): Mr. Chairman, I do not want to repeat any of the substance of this amendment, but there is just one aspect of it that rather puzzles me. The Prime Minister made a point in his initial announcement, last fall, of saying that the choice of a county for the larger school administrative unit did not mean that counties were going to be the ultimate units for regional government. I repeat, he took the initiative to counter the argument that we were strait-jacketing ourselves into counties for regional government purposes. Now, it would seem to me that if the government really is not intending to make the counties become a strait-jacket and the centre for regional government in the future, that the Minister would welcome a kind of flexibility, as in this amendment, to cope with at least a few instances where there is pretty solid evidence that the county is not a desirable unit. And yet, the Minister manifested, this morning, an edginess, a touchiness, almost a jitteriness, with regard to the presentation of the case on this side of the House. He would enjoy some flexibility—

Hon. Mr. Davis: Never!

Mr. MacDonald: He is manifesting that edginess again Mr. Chairman, proving my point.

Hon. Mr. Grossman: Do you call that edginess?

Mr. MacDonald: No, it is jitteriness. Edginess goes only so far. But when the Minister, who normally is calm, bounces up and down in his seat in the fashion he has that is jitteriness, not just edginess.

Hon. Mr. Davis: I have not been up yet, except to move the amendments.

Mr. MacDonald: My point is simply that if the government is not committed to counties as the boundaries for regional government, I would think the Minister would welcome this flexibility, yet he has shunned it. He has refused to accept it, and he has been

interjecting to try to undercut the case that the Opposition is presenting.

Mr. Chairman: Section 1 carried. The member for Niagara Falls.

Mr. G. Bukator (Niagara Falls): Yes, I am a little bit puzzled, as is the leader of the New Democratic Party.

So many well-regulated and well-constructed boards of education have come before the committee and have informed this Minister—because he was there—that they are doing a very good job with the boards that they have, and that, in many counties of the province, two boards within that county would do an excellent job for you. This has been brought very forcibly to you by people who are doing a good job with primary and secondary education. And yet the flexibility that we speak of is not there.

I think, without a doubt, that this Minister would like that flexibility. He is carrying the ball for someone, and I am sure it must be the Cabinet. You have decided on county boundaries. You are not going to go beyond, and you must stay within, and you cannot split the counties and something is radically wrong.

You were informed on many occasions by boards of education, that are doing an excellent job for us in this province, that this can be done and that counties ought to be split. There are municipalities such as Port Colborne, for instance. The city is going to have only one individual on the board of education. This is unbelievable. They ought to have representation. We always talk about representation at the grass roots and there it was, and you are taking it from them.

You say you will try it for a couple of years. This is quite a gimmick this government has been using this last couple of sessions, I have noticed: "Well, let us try it for a while; we will pass it now and see what happens and then we will change it." That is par for the course. I have heard it so often that I began to believe that maybe this is the proper approach.

But, where the proof of the pudding is in the eating, it is working well and the county ought to be split. You have it right close to Toronto here, and you have it in the peninsula. I believe that that section ought to be amended to allow two boards to operate in each county—not each county, but counties where it is working now. You are disrupting a good organization. You did it before—you took 1,600 boards of education, and you brought it into bigger groups and I thought that was good. But the pendulum has swung just a little too far. You have taken the wrong step. You are disrupting organizations that are doing a good job and this bill ought not to pass.

Mr. Chairman, I thought I would give you that, for what it is worth on a hot day. I know that no matter what we say in this House this day, nothing will be changed. It never is with this Minister, whether it be him or his Cabinet, they are both wrong in this instance.

Hon. Mr. Davis: Mr. Chairman, speaking again to this amendment, without rehashing the whole debate that we have had for some weeks, I should indicate to the member for Niagara Falls that, while I understand his point of view as it is reflected by some boards within his area, I might point out to him that there is no consensus, and the same applies to the member for Waterloo.

He says that this is desirable in his particular area, isolating once again one of the counties. And I point out to him—perhaps it is just as well the member for Kitchener is not here, or some of those who have conflicting points of view. Because, Mr. Chairman, once again, there have been representations made from communities within Waterloo county suggesting that the one board is the answer.

This also applies, with great respect, to the great area to the north of Metro Toronto, where, once again there is no consensus as to whether there should be one or two boards. I think it is simply a matter of this. I have no objection—

Mr. Nixon: You should be able to make changes.

Hon. Mr. Davis: Mr. Chairman, with great respect, I have listened to the leader of the Opposition for years—

Mr. Nixon: —and your interjections.

Hon. Mr. Davis: No, I am not interjecting. The interjections, I enjoy them.

But I have listened for years to the position he has taken here, and the desirability of involving the Legislature in educational decisions, and the education committee, that the Minister does not take the members of the Opposition into his confidence in dealing with these major educational problems.

Here is one that, perhaps, we will have to alter two or three years from now. I am saying that surely this is really accepting the wishes of the leader of the Opposition that

we do involve the members of this House in basic decisions of this kind. The member for—

Interjections by hon. members.

Hon. Mr. Davis: —York Centre. No, it is true. It is actually correct; read *Hansard*. I reread the statements made by the leader of the Opposition, the member for York South, and now the member for Peterborough. I reread them regularly to see just how consistent their approach is from year to year. I do not want to get into it today, but, quite frankly, it is not always consistent.

Mr. Nixon: You are misleading the House.

Hon. Mr. Davis: And the member for York Centre is concerned about the decision-making process. For him to think that I am the chief executive officer—I am not sure that this is really appropriate terminology for the Minister, but I am very flattered that he has this confidence.

But I should point out to him that this amendment means that, if it is not done in legislation, it is done by regulation. And, with great respect, the mechanics are really quite comparable and the problems are still the same. So that I say, with respect to him, that I know his point of view about his problems in his own area, and I must say that once again it is not unanimous—that we can deal with the situations if they arise.

I think the point is very simply this. I say this to the member for Peterborough—this is not related to regional government *per se*. We have said—I have said—the county boundaries are not in themselves perfection. This we know. But I listened to the debate on second reading; I listened to the discussion in the education committee; and, with great respect, while there was some discussion on this amendment to substantiate this, on the desirability of dividing a county, it was always on the basis of using the total county with the division within it, once again using the county boundary. There has been no constructive suggestion as to how we depart from that at this stage of the development of educational jurisdictions. I have not heard it.

This amendment gives the right to detach, which is in here now. It gives the right to divide a county, still using county boundaries. So I say, with respect, to the member for Peterborough, that really he is creating something of a fiction when he tries to relate this legislation to what may, or may not, happen in the field of municipal reorganization. I do not think he can predetermine—I cannot. But in the field of education, we think this is a good operating base.

I am delighted with the confidence expressed by the member for Waterloo in this amendment. I would only point out to him —and I make this point particularly to the member for Peterborough—there has been a very specific desire on the part of the trustee organizations that we have this period of two years to gain experience, to have a degree of stability, to see just what the problems are. And they have made this request, that there be no changes or alterations for this two-year period of time. It was not my time limitation, it was their suggestion and I think, Mr. Chairman, knowing what is going to happen in the next few months, it is a very wise suggestion to make. This reorganization is not going to be easy and I think this will give us some time to find by experience what other changes may be necessary.

I appreciate once again, Mr. Chairman, the great confidence in the members of the Opposition, but I think that the way the bill stands now is a more practical and effective way of dealing with it. And I would say that, while we appreciate the amendment, I really cannot be persuaded to support it.

Mr. Nixon: Mr. Chairman, on a point of order. Section 1 occupies, I believe, 29 pages of the bill. There is one other point that I wanted to raise, and I am afraid that you might rule, just in case this amendment does not succeed, that the question would be out of order. I wonder if you would advise me on that.

Mr. Chairman: Is the leader of the Opposition referring to another subsection?

Mr. Nixon: It is actually subsection 25, on page 24. It will be a brief question. Section 1 is the whole thing.

Mr. Chairman: Under normal circumstances we do not have a bill of this type where there are 30-odd pages and only one section.

Mr. Pitman: On that point of order, would it be possible to go through the subsections one by one?

I think this bill is of such importance, and I think that this amendment would go through areas which had nothing to do with this particular amendment. It would really make it impossible for us to make any comment or indulge in any debate on a number of these subsections, which are extremely important.

Mr. Chairman: I think probably this could be done, although I would want the concurrence of the committee, that we deal with

section 1 subsection by subsection. Do we have that concurrence?

Hon. Mr. Davis: I want full discussion, but I should point out that this bill—and the member for Peterborough was there, a very faithful attender—was discussed, I think, in very substantial detail at the education committee. These matters were discussed point by point. And, as I recall, with the exception of the amendment which was moved by the member for Peterborough at the committee and one or two others, these sections all passed unanimously within the committee except for these three points.

I have no objection, but I am just wondering what useful purpose can be served, other than an opportunity for some of us to say a few more words on this subject.

Mr. Chairman: In consideration of the remarks of the Minister, I wonder if it would be agreeable to consider the amendment that the leader of the Opposition has to the other subsection before we put this—are they just comments?

Mr. Nixon: Just questions.

Mr. Chairman: Well I see no reason why the leader of the Opposition cannot direct the questions before we put this amendment before us.

Mr. Nixon: Well, very briefly, in subsection 25 it sets the day and hour of the polling for the new boards. There has been a continuing complaint from some areas that this school election will not coincide with the municipal election, and I guess it is impossible to make them jibe. Yet the hon. Minister indicated at the committee in the last meeting that he would have his officials undertake some sort of a research to see if changes in this bill and its companion bill dealing with separate schools—

Hon. Mr. Davis: Mr. Chairman, as I recall my undertaking at the education committee, I indicated to the representatives from the London separate school board that we would discuss with them the problem of elections which we did. We came up, and I think they recognize this, with the answer, because it involves more than the city of London; it involves several municipalities around.

It is impossible to reconcile the election dates and this is the difficulty. We recognize this. We know there are some complaints, but we have canvassed this very thoroughly over the past number of months and we have selected the dates where the bulk of the municipalities—I think some 60 plus per cent—have selected the first Monday in December as their election date; and I think for the first year, too, there is just no other easy answer to it, quite frankly. I cannot help the Opposition any further.

Mr. Nixon: The main complaint really had to do with Hamilton, where the date for the election, I understand, would perhaps end up on certain years three days away from the date of the election for the school board, and this seemed to be a rather awkward situation indeed.

Hon. Mr. Davis: No. It could not be in Hamilton because it is a defined city.

Mr. Nixon: It could not, you say?

Hon. Mr. Davis: No, I do not think that is where the complaint is coming from.

Mr. Pitman: There are one or two questions that do relate to this section, if we are taking the entire section from 81 to 100.

The Minister will remember at the committee that I posed the problem of the transfer review in this piece of legislation, viewing this as the appropriate place to protect teachers who would be mainly concerned with enlarging units and the possibility that their future might be changed as a result of these large units.

At that time, as the Minister remembers, I withdrew the amendment, but I wondered if this might be the appropriate place to ask whether he has received any reply from the communication which he made to the Ontario teachers federation and to the trustees in relation to future meetings which might take place on this matter—which is bothering a number of the teachers across the province.

Hon. Mr. Davis: Mr. Chairman, I believe the communications went out the latter part of last week or perhaps the beginning of this week, and I do not think there has been any reply yet.

Mr. Pitman: I wonder if I could ask on one or two other areas at the end. I think it was section 97. I think on that section I posed an amendment which was later withdrawn as well, in relation to the continuing role which teachers might play. I think one of the most interesting aspects of this development that has taken place, particularly over the last few months, is the co-operation which the

ISOC committees have received from the Ontario teachers federation.

As the Minister knows, the Ontario teachers federation has created sub-committees dealing with all the areas which the Minister had suggested the ISOC committees should concern themselves with, and have, I think, begun a dialogue of some real value. It was at the education committee that I suggested that possibly in this legislation there might be provision for a continuing dialogue. I also made the suggestion that an advisory committee which would include teachers, administrators and those of the board might be included in this legislation which would allow this continuing effort to create discussion between trustees and teachers. This is particularly necessary in the larger units where, as I mentioned before, you could very well have a feeling on the part of both teachers and parents and trustees that they really cannot get at what are the major issues before the divisional board.

I think, particularly in view of the Hall-Dennis report there might be a place for these committees to be erected at the school level. But I am wondering if the Minister has considered this matter of providing within this legislation for this kind of effect as a result of these larger units, or whether he would consider this perhaps as an appropriate amendment to The Schools Administration Act for the entire province rather than just for those that are dealt with by this legislation?

Hon. Mr. Davis: Mr. Chairman, as I recall my views at the committee with respect to the latter—and I repeat them here again today—if it is wise to legislate something like this, and I question whether it is wise, but if it is it should be done in The Schools Administration Act; because if it is logical in the divisional court areas, it is also logical in those areas that are not covered under this legislation. My own view is, and I have discussed this with the OTF and I think, as I understand their discussions with me, they are not pressing it.

It is something, I think, that for the first year or two at least should be done by mutual desire on the part of the trustees and the teachers to set up some form of dialogue between the groups concerned. I personally have said to the trustees, and I shall be repeating this: I think there is great validity in involving the teachers in broad policy discussion, certainly as it relates to academic development, and I think the majority of trustees share this point of view; but I think it is premature to try to formalize any such arrangement at this point in this particular bill.

Mr. Chairman: Those in favour of Mr. Good's motion will please say "aye."

Mr. Pitman: May I just ask one more question on this—

Hon. Mr. Davis: Of course.

Mr. Pitman: —which I think is somewhat disconcerting me? Over the past number of weeks I have received some indication that at least some educational places are becoming concerned about the old question of the appointment of the superintendent of education becoming now the director of education.

This is in section 97 on page 25, and I think that at the committee I suggested that possibly in that section it might be added that they should be appointed after there has been an advertisement across the province. It should not necessarily be from appointment within because I think that the directors of these larger units will perhaps be the key persons in the kind of educational system that we will find in each academy. Now I am sorry, I am not sure exactly what happened with that.

Mr. Chairman: Is the member speaking to the subsection appearing on page 28?

Mr. Pitman: 971.

Hon. Mr. Davis: Mr. Chairman, as I recall once again the discussion on this point, it was felt, that if such an amendment or policy was appropriate, it should once again be done in The Schools Administration Act, not in Bill 44, because once again it relates to the total educational community.

Mr. Chairman: Those in favour of Mr. Good's motion will please say "aye."

Those opposed will please say "nay".

In my opinion the "nays" have it.

Call in the members.

Mr. Chairman: Those in favour of Mr. Good's motion will please rise.

Those opposed to Mr. Good's motion will please rise.

Clerk of the House: Mr. Chairman, the "ayes" are 29; and the "nays" 45.

Mr. Chairman: I declare the motion lost, and section 1 will carry.

Section 1, as amended, agreed to.

On section 2:

Mr. E. W. Sopha (Sudbury): Mr. Chairman, may I ask the Minister on the day that this bill becomes the law of the land how it is expected that the International Nickel Company will pay its share of school taxes under this bill?

Hon. Mr. Davis: Mr. Chairman, I do not know that this question is in order and I am not sure I can give an answer. I do not propose to get into this debate because we had some discussion of this issue, on second reading as I recall.

Mr. Sopha: Yes, indeed, and subsequent to that I wrote to both the Minister of Education and the Minister of Municipal Affairs (Mr. McKeough). This may not be in order but it is a matter of great anxiety in the city of Sudbury, and they will expect a report from someone on how that company is to pay its fair share of the school taxes under the present legislation.

Mr. Chairman: Well, I think the answer may be provided at some other point than in dealing with this bill in committee.

Mr. Sopha: I can see that I am not going to get an answer.

Mr. Chairman: Shall section 2 form part of the bill? The member is out of order.

Sections 2 and 3 agreed to.

Bill 44, as amended, reported.

THE TEACHERS' SUPERANNUATION ACT

House in committee on Bill 162, An Act amend The Teachers' Superannuation Act.

Sections 1 to 9, inclusive, agreed to.

Bill 162 reported.

THE ONTARIO SCHOOL TRUSTEES COUNCIL ACT

House in committee on Bill 163, An Act to amend The Ontario School Trustees Council Act.

Sections 1 to 3, inclusive, agreed to.

Bill 163 reported.

THE TEACHING PROFESSION ACT

House in committee on Bill 164, An Act to amend The Teaching Profession Act.

Sections 1 to 6, inclusive, agreed to.

Bill 164 reported.

THE PUBLIC SCHOOLS ACT

House in committee on Bill 165, An Act to amend The Public Schools Act.

Sections 1 to 10, inclusive, agreed to.

Bill 165 reported.

THE DEPARTMENT OF EDUCATION ACT

House in committee on Bill 166, An Act to amend The Department of Education Act.

Sections 1 to 4, inclusive, agreed to.

Bill 166 reported.

THE SECONDARY SCHOOLS AND BOARDS OF EDUCATION ACT

House in committee on Bill 167, An Act to amend The Secondary Schools and Boards of Education Act.

Sections 1 to 9, inclusive, agreed to.

Bill 167 reported.

THE SEPARATE SCHOOLS ACT

House in committee on Bill 168, An Act to amend The Separate Schools Act.

Sections 1 to 5, inclusive, agreed to.

On section 6:

Mr. Nixon: Mr. Chairman, on section 6 which is really the very large section parallel to Bill 44 which was just carried. I should say to the Minister that the complaint I got about the date of the election came from a person associated with separate school boards. My informant indicated that the Hamilton area, where the board moves out into Wentworth county, does not have the same area of jurisdiction. Since there are not the designated cities in the same manner as Bill 44, there would be serious lack of uniformity for election dates. The Minister said previously, in committee I believe, that in most jurisdictions the elections would fall on the

same day, twice in every six years. I just forget the way the permutations worked out but I believe in the case of Hamilton, the elections will be held frequently in the same year, but only three days apart. If we are concerned with having interest in an election for the separate school board under this particular bill, then I think we should do what we can to have the election fall on the same day so that the general community interest in the democratic process will reveal itself in concern for the separate school election. I do not know whether the Minister is aware of the problem, but I would welcome his comments.

Hon. Mr. Davis: Mr. Chairman, the question of the situation in Hamilton has not been specifically brought to my attention, but it was in London—which is a comparable situation—in Middlesex, where the city of London and Middlesex are probably going to be combined, you have different days for election in the areas surrounding the city. It does not apply to Bill 44 because they are both designated cities, and under this bill, of course, they are not. It is a problem that, quite frankly, I do not have the answer to at this moment. All I can say is that we recognize some of the difficulties in it, and perhaps can find some solution. But we do not see any for this current year, and we are anxious, as the separate schools are, to move ahead with the legislation so that the elections will be held this fall.

Mr. Chairman: The member for York Centre.

Mr. Deacon: Under section 76, in subsections 2, 5 and 6; and section 77 in subsections 2, 3 and 4; and section 79, subsections 1, 2 and 3. The suggestion is that it is quite unnecessary to put the word "separate" in the section describing the schools because they would like to be known as Roman Catholic school boards and not separate school boards, as a Roman Catholic school board is a separate school board under The Separate Schools Act. They feel that they would like to read this or have this word "separate" deleted. Would the Minister give his views on this matter? I have had objections from separate school boards saying that they are Roman Catholic school boards, and as such, they are under The Separate School Boards Act.

Hon. Mr. Davis: I am sorry, Mr. Chairman, I am not in a position to give a qualified legal opinion on the necessity of having the term in there, and I think that we will just look at it very hurriedly, that there must be this reference to the separate school as it relates to The Separate Schools Act, which gives this system, shall we say, its legal authority in this province. We have not had any specific representations, although the question of terminology has been mentioned in discussions from time to time. I should point out that this legislation was reviewed very carefully by the separate school trustees' organization for the province of Ontario, and to the best of my knowledge they did not raise this objection. I think that probably they recognized that this is necessary in the legislation.

Mr. Deacon: I would thank the Minister, Mr. Chairman, for these comments. These did come from three different separate school bodies to me, and I am sorry that they did not reflect their views to the Minister earlier. In connection with the superintendent of separate schools under section 87, one and two, this section makes it mandatory here, that the superintendent of separate schools be the chief education officer and chief executive officer of the board. The note in Bill 44 is not mandatory, but permissive. What is the reason for this difference?

Hon. Mr. Davis: We discussed this very briefly with the education committee and it is mandatory, and under The Schools Administration Act. The principles will be exactly the same in the public school system as in the separate school system.

Mr. Chairman: The member for York Centre.

Mr. Deacon: The reason I bring this up is that the school boards are concerned that having it mandatory to appoint the education officer as chief education officer means that they are not necessarily getting the better of the two types available to be the chief executive officer. They feel in some circumstances, particularly at this time when there has been no history or experience of having a superintendent of separate schools, that they have not got this background of experience. In some cases, a business administrator might be the better person for the role. In any event, they feel that the business of selection would be more flexible and they would be more able to get the best man for chief executive officer. That is why I have had some representation that this be permissive and not mandatory.

Hon. Mr. Davis: Mr. Chairman, once again, this was discussed at the education committee

and the trustees council made representation to this on the basis of making it permissive. This was dealing with The Schools Administration Act, and is exactly the same principle. I think it was pointed out then, and expressed by several members of the committee—not all supporters of this government—that this was perhaps the only ultimate solution. This being the case, let us move ahead with it. I think that it is contained in the recommendations of the Hall-Dennis report, which goes even a step further in recommending that they be the chief executive officer and the secretary-treasurer of the board.

We have not gone that far, and thus have left it open for them to appoint a secretary-treasurer who need not be the chief executive officer of the board. The trustees council also made representation to the education committee that the way to resolve this in the future is to formulate an administrative council, where you will get your business administrators and academics preparing joint recommendations to the board, for the policy decisions. We have indicated to the trustees council that we are quite prepared to study this and respond to it as far as future legislation is concerned. This was raised and, as I recall the discussion of that committee, I do not think there were any people who did not support the amendments to The Schools Administration Act, which are really on all fours with this.

Mr. Deacon: Mr. Chairman, I would concur with the hon. Minister. I think that almost everyone would agree that the ultimate solution is the one that is mandatory here. But the point raised was that perhaps in the interim it might be wiser to be permissive and to provide time for adjustment.

Mr. Chairman: The member for Hamilton East. Is this on the same point?

Mr. R. Gisborn (Hamilton East): Not on the same point.

Mr. Chairman: The member for Peterborough, I believe, wanted to speak on the same thing. As long as the member for Hamilton East is on the same point, it is all right.

Mr. Pitman: Mr. Chairman, all I wanted to do was to indicate the feeling of this group that we wish to keep this matter mandatory. It is desperately important that the chief educational officer be a person who is qualified as an educationist and that there be one person reporting to the board who is responsible for the educational policy in that division. We would oppose with great vigour any attempt to undermine or create a two-headed situation in any board. Now, that particular point was brought up by my friend from York Centre.

Mr. Deacon: Mr. Chairman, I did not suggest that there should be a two-headed situation here. My suggestion was that the board that felt that at this time, with a limited availability of qualified educational people, they should have a choice.

Mr. Pitman: Well the Minister has got lots of them, they are all over there!

Mr. Chairman: The member for Hamilton East.

Mr. Gisborn: Mr. Chairman, my question is with regard to subsection 20 of section 84. Where are we now? The hon. leader of the Opposition raised a question regarding the timing of elections, is that the section we are dealing with?

Mr. Chairman: Paragraph 20 of subsection 84 on page 20?

Mr. Gisborn: Yes.

Mr. Chairman: Very good, will the member direct his question then?

Mr. Gisborn: Mr. Chairman, I have also been asked, through you to the Minister, to get a clarification of the timing of elections. When I checked subsection 20 of section 84, I thought that it was very clear as far as the Hamilton and Wentworth county situation was concerned. They will have an election in Hamilton this year which will combine the election for the separate school system, is that the case?

Hon. Mr. Davis: That is the case.

Sections 6 to 8, inclusive, agreed to.

Bill 168 reported.

THE SCHOOLS ADMINISTRATION ACT

House in committee on Bill 172, An Act to amend The Schools Administration Act.

Sections 1 to 12, inclusive, agreed to.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I would like to make some comments on section 13. This is the section that permits the employer to make a contribution toward fringe benefits, and the fringe

benefits listed are group life accident, hospital and medical insurance. Now, such fringe benefits are actually wages or salaries. Even though some employers make no contribution, the legislation as presented here would permit them to make up to 66⅔ per cent of the cost of these fringe benefits, so that the employee would only be paying actually one-third. Since fringe benefits actually can be considered as wages or salaries, I think that this should be negotiable, the employee should have an opportunity to negotiate with a board to see if he could get even 100 per cent of his fringe benefits paid for by the board.

An employee working for any one of the auto industries in my own community finds that his employer pays not only the fringe benefits that we have listed here, but also a Green Shield prescription plan. I think, Mr. Chairman, that the employee of a board of education should have a similar opportunity to negotiate with his employer for a complete takeover by the employer of the cost of these fringe benetfis.

Mr. Chairman: Section 13? Is there any comment from the Minister? All right, the member for Wentworth.

Mr. I. Deans (Wentworth): I would like to agree with what the member for Windsor-Walkerville has said. I believe that matters of working conditions and of remuneration, whether it be in salary or in fringe benefits, should be left to negotiation. I cannot see any reason why we should take the position that those in the public service should receive any less than those working in the private sector of the economy. I think the practice now in the majority of industrial complexes is to pay considerably more than two-thirds.

I do not believe that we should put ourselves in the position of legislating the maximum amount that can be paid. It should be left to negotiation. I would like to hear the Minister's comments on why this particular section remains there. It is in many pieces of legislation and this is only one.

Hon. Mr. Davis: It is not a question of remaining. This amendment brings it into line with the provisions, as I recall it, of The Municipal Act, where this is the same amount as is there. We are now allowing the boards to do the same things with respect to the teaching profession as are available to the employees of municipalities. This section makes it consistent with The Municipal Act.

Mr. B. Newman: Mr. Chairman, if we use that supposition, then up until the time The Municipal Act is changed to permit municipalities to take over the complete cost of fringe benefits, or to negotiate with the employee for the takeover of the complete cost of fringe benefits, The Department of Education and the Minister of Education will not move. I think he should show some leadership by withdrawing a thing like this or changing it to permit the employer to assume the complete cost of fringe benefits by negotiation.

Section 13 agreed to.

Sections 14 to 19, inclusive, agreed to.

On section 20:

Mr. Deacon: On section 20, Mr. Chairman, I do not quite understand the reasoning here.

Do these school boards that are now purchasing education for some of their pupils now receive grants for education and books they are purchasing? Are these books not purchased by the schools that are educating the children?

I do not understand the equity in this, or the inequity.

Hon. Mr. Davis: Mr. Chairman, it is not very easy to explain, but the grant regulations provide for payment of grants on books —textbooks and library books—and under the existing grant regulations there have been occasions where the board that is providing the educational service has been getting grants for the textbooks and the library books and also receiving a fee from the board of the place from which the student originates.

All this amendment does is to provide for an equitable distribution of the grant, because if you are paying a fee, then you should be receiving whatever moneys are available under the general legislative grants. It is a question, really, of one board in some instances getting a double portion of grant, while the other board—in many cases the board where the student resides, though he is taking his education elsewhere—is not receiving its fair share. This will enable us to do away with this inequity.

Section 20 agreed to.

On section 21:

Mr. Sopha: On section 21, Mr. Chairman, I want to direct the Minister's attention to the phrase a little below the middle of the section, where it says, "shall be caused to be levied on the whole of the assessment for real property and business assessment for public, secondary and separate school purposes, as the case may be."

That, of course, is related to the first part of the section, "the council of every local municipality shall," and so on, "upon the whole of the assessment." Now, the Minister well knows that he has had delegations from the interim school boards; the Premier has heard from the chamber of commerce; other organizations have made representations to the government in relation to the problem inherent in those words.

Presumably, without a change, on January 1 next year, when the rates begin to be levied in the town of Copper Cliff and in the township of Falconbridge, the assessors of those two municipalities, presumably—we must expect, following the practice of the past—are not going to put the smelter and the refinery on the roll. And accordingly, the rates will not be levied on those two installations, which relates to an anomaly in the whole province of Ontario—that two large surface installations, the smelter and the refinery at International Nickel and the smelter at Falconbridge Nickel Mines, are not on the rolls ratable for school purposes.

The Minister has had these representations. I plead with him to tell the people of Sudbury, who are going to be in this new large school area, what is the attitude of his department, at least. He cannot speak for The Department of Municipal Affairs, but he is part of the composite executive council. Perhaps we can hear what is going to happen on January 1 next year. It is a simple question.

Are the smelters and refineries going to be responsible for paying their fair and equitable proportion of school taxes? Or are they going to continue to escape? That is a very fair question. It is a very relevant question. It is a very important question to the people of Sudbury and surrounding area.

My friend, the member for Nickel Belt (Mr. Demers) would agree with me. My friend, the member for Sudbury East (Mr. Martel), I am sure, would agree that this question has to be answered. Is the International Nickel Company, as is the Ford Motor Company, as is Canadian General Electric in Peterborough, as are many others—Massey-Harris in Brantford, and industries all over the province who are liable for school taxation, is the International Nickel Company to become liable for paying the school rates like any other industry in the province? Or is it to continue to escape that liability?

Hon. Mr. Davis: Mr. Chairman, I recognize the hon. member would like to have an answer today. At this minute, I am not in a position to answer this particular question.

I agree that it is important; it is relevant in the total scheme of things. Whether it is relevant with respect to this particular section or not, I am not prepared to argue. I will just say to the hon. member I would think, before the end of the session, there will be an opportunity in debates and one or two other areas to raise this issue at a more appropriate time.

I am not in a position to help him in his quest for an answer here this morning.

Mr. Sopha: I am not going to let it pass without an additional brief comment, in order to put it in the total picture. I repeat that the government itself, in respect of homes for the aged, in respect of district welfare, The Department of Municipal Affairs insisted that the smelter be on the roll for those purposes. Then I ask rhetorically—I see I am not going to get an answer—why is the government not consistent? Having done that in welfare, in the care of the aged, why does the government not pursue the same policy and come in there and say, "The smelter and the refinery will go on the roll for educational purposes?"

That inconsistency is simply not understood, and the interim school board has come to the Minister—I know because they told me—and they have said that to the Minister; they asked for that consistency. The chamber of commerce keeps writing to the Premier; they write in courteous tones. The replies of the Premier, with which I am furnished, get ever more snappish as time goes along.

But the problem still remains, and it has got to be solved. Inco has got to pay their share of school taxes like anyone else in the province.

Sections 21 to 24, inclusive, agreed to.

Bill 172 reported.

THE TERRITORIAL DIVISION ACT

House in committee on Bill 169, An Act to amend The Territorial Division Act.

Sections 1 to 4, inclusive, agreed to.

Bill 169 reported.

THE MUNICIPAL TAX ASSISTANCE ACT

House in committee on Bill 170, An Act to amend The Municipal Tax Assistance Act.

Sections 1 to 3, inclusive, agreed to.

Bill 170 reported.

THE DRAINAGE ACT, 1962-1963

House in Committee on Bill 171, An Act to amend The Drainage Act, 1962-1963.

Sections 1 to 13, inclusive, agreed to.

Bill 171 reported.

TOWNSHIP OF RED LAKE

House in committee on Bill 173, An Act respecting the township of Red Lake.

Sections 1 to 5, inclusive, agreed to.

Bill 173 reported.

TOWNSHIP OF CHARLOTTENBURGH

House in committee on Bill 174, An Act respecting the township of Charlottenburgh.

Sections 1 to 5, inclusive, agreed to.

Schedule agreed to.

Bill 174 reported.

Clerk of the House: The Honourable, the Lieutenant Governor recommends the following:

RESOLUTION

That, there shall be paid to each member of a committee of the assembly, other than the chairman thereof, an allowance for expenses of $50, and to the chairman thereof an allowance for expenses of $60, and,

(a) in addition to the allowance provided for in section 64 of The Legislative Assembly Act, his actual disbursements for transportation other than by private automobile or an allowance of 10 cents for every mile travelled by private automobile; and

(b) his actual disbursements for meals, accommodation and gratuities,

for or incurred on every day on which the assembly is not sitting,

(c) upon which he attends a meeting of the committee; or

(d) upon which he is absent from home and is engaged on the work of the committee; or

(e) upon which he is absent from home and is travelling to and from meetings of the committee,

as provided in Bill 176, An Act to amend The Legislative Assembly Act.

Resolution concurred in.

THE LEGISLATIVE ASSEMBLY ACT

House in committee on Bill 176, An Act to amend The Legislative Assembly Act.

Sections 1 to 5, inclusive, agreed to.

Bill 176 reported.

Hon. Mr. Rowntree moves that the committee of the whole House rise and report that it has come to one resolution, one bill with certain amendments, certain bills without amendment; and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report it has come to one resolution, one bill with certain amendments, and certain bills without amendment; and asks for leave to sit again.

Report agreed to.

Clerk of the House: The 11th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, THE DEPARTMENT OF MUNICIPAL AFFAIRS

Hon. W. D. McKeough (Minister of Municipal Affairs): Mr. Chairman, in introducing the estimates of my department, I propose to concentrate on a subject of major importance —the role of our municipalities in a changing world.

A comprehensive outline of the activities of each of the branches in my department has already been made available to you through the annual report of The Department of Municipal Affairs. I see no need, therefore, to engage in such a review at this time. I look forward, of course, to answering any questions and discussing fully the detailed operation of my department. I do wish to make one point, however. In the short time I have been Minister of Municipal Affairs, I have been impressed with the complexity of the tasks which members of my staff must face on a daily basis. In a very real way, the competence with which my staff has discharged its responsibilities reflects the excellent leadership provided by my predecessor in this office, Mr. Wilfrid Spooner.

It is appropriate at this time, Mr. Chairman, that I express the appreciation of the government and the department for the

nearly six years of leadership which Mr. Spooner gave to the municipalities and to the people of Ontario. I also want to add my personal appreciation for the assistance he has given me.

Today then, I wish to concentrate my attention upon some of the dramatic social and economic changes occurring in Ontario, and the effect of these changes upon our municipal institutions. The most obvious and far-reaching change taking place in Ontario is the phenomenon of urbanization. While analysis of population trends vary somewhat among the experts, all studies show that our rate of rapid urbanization will continue in the foreseeable future. For example, the population projections for Ontario given in the fourth annual report of the economic council of Canada indicate that, by 1980, 70 per cent of our people will be living in cities with a population of over 100,000. Even more startling, the total urban population of Ontario will almost double between now and 1980.

While exact forecasts vary as to the timing and distribution of urbanization, there is general agreement that the rate will continue to rise. This means that the vast majority of the people of Ontario will live in a totally urban environment. This situation differs completely from any prevailing in the past in Canada. As such, urbanization presents us with a challenge so fundamental that it will affect the quality and way of life of every citizen in this province.

All members are aware of the growing pressures occasioned by this urbanization. In particular, our political institutions, including municipalities, are subject to increasing stress as a result of urban growth.

I would like to outline some of these stresses as they appear at the municipal level, and indicate a few of the positive steps being taken by the government and in particular my department to meet the local government needs of today and tomorrow.

Generally speaking, local government in Ontario may be divided into two kinds of authorities—the single-purpose form as exemplified by our many boards and commissions, and the multi-purpose or municipal form. I shall concentrate, Mr. Chairman, on the municipal form of local government since this is the form for which my department bears direct responsibilities.

There are two other important reasons for concentrating on the municipal form of local government.

First, the municipality as a multi-purpose unit is the most important type of local government in Ontario. Municipal government has been delegated a broad area of responsibility by the province. Almost all functions carried out by our municipalities are directly influenced by the increasing urbanization I referred to earlier.

Second, the effectiveness of most single-purpose local authorities is greatly influenced by the quality of the municipalities with which they work. Because it is a multi-purpose unit, municipal government is the local authority in the best position to perform the essential function of coordinating and integrating the various activities of special purpose units. This may be achieved in at least two ways; for example, special purpose bodies depend on municipalities for part of their financial support, and all physical development plans of local boards must conform to the overall development plans prepared by the municipalities. Urbanization has focused increasing attention upon the municipality as a key to coherent planned local government programmes.

The present municipal system in Ontario is characterized by a large number of relatively small units. In 1967, for example, the average population of an Ontario municipality was only 1,775—and 270 of these had a population of less than 1,000. Fully one-third of all municipalities spend less than $100,000 annually on municipal programmes. These characteristics—small size and limited fiscal resources—have placed considerable stress upon our municipal system. The system was designed to meet the needs of a rural society such as existed in Ontario during the 19th century. Many of the assumptions on which this system was based are no longer true.

Perhaps the most significant of these invalid assumptions are: One—that we think of rural and urban areas as separate and different in their service needs. Two—that the political, social and economic "community" is very small, local and self-contained. Three—that property taxes provide a sufficient source of funds for local government programmes. These assumptions, Madam Chairman, no longer have their original validity, but they continue to be reflected in our system of municipal government.

Earlier, I mentioned the many pressures upon municipal government resulting from the accelerating urbanization of our province.

These pressures show themselves in many ways, including the following:

The lack of fiscal resources at the municipal level to meet the demand for a growing number of local services and the demand for a higher quality in existing services;

As our economy becomes more complex with urbanization, we have had to recognize the need to engage in some form of physical and economic planning. However, the area required for meaningful economic and physical planning tends to be much larger than existing municipal areas;

Municipal imbalance in population and financial resources has increased with the shift of people and resources from rural to urban areas;

Urban growth has had a serious effect on the physical environment leading, for example, to problems of air and water pollution, and loss of land for agricultural and recreational uses;

A trend has developed towards the creation of new single-purpose units for local government. Larger school units, health units, and conservation areas all tend to increase the fragmentation of local government and weaken the key role of the municipality.

Out of the stresses of change has come an increasing awareness of the need to restructure our system of municipal government. There have been several suggestions for reform in the following important studies:

The report of the select committee on The Municipal and Related Acts; The report of the Ontario committee on taxation; The reports of local government reviews in the Ottawa-Carleton, Peel-Halton, Niagara and Lakehead areas; The report of the Royal commission on Metropolitan Toronto; A study made by the Ontario association of counties; Various special studies undertaken by this government; and other studies and proposals such as the economic council of Canada review.

The local government studies and reports for the Ottawa-Carleton area, the counties of Peel and Halton, the Niagara area and the Lakehead area have all been tabled in the House. In all cases, many changes were recommended which would lead to major reform in the local governments of the areas studied.

In addition to the four reports already received, four additional reviews are under way: the district of Muskoka, the county of Waterloo, the Hamilton-Burlington-Wentworth area, and the Brant county area.

The substantial area covered by all these reviews should not be minimized. The eight reviews cover approximately 40 per cent of the population of Ontario outside Metropolitan Toronto.

These reviews have taught us many lessons. Most significant in the four reports received is the wide divergence in recommendations. This indicates to us that there is no simple "blanket" solution to the problems of urbanization—each area has to be dealt with on its own merits. The inclusion of the district of Muskoka as a review area is a demonstration of the fact that urban growth pressures do not affect only highly populated cities, but radiate out into every section of this province. Above all, it must be emphasized that these studies are not an end in themselves, but part of a continuing process of determining our best course toward better municipal government.

A principal method the government has used in meeting the pressures of urbanization has been the creation of metropolitan or regional municipalities. Both the Metropolitan Toronto and Ottawa-Carleton systems of government have been discussed in detail at various times in this House. In general they present a modified application of the county system in an urbanized context.

The Ottawa-Carleton regional municipality represents a significant advance in the concept of regional or metropolitan organization. This is true on two counts: The strong functions assigned to the regional level, and the fact that the area contains a significant rural component—comprising 92 per cent of the total area.

As I have said on other occasions, the one most important responsibility of our municipalities is the major determination of the quality of the environment in which we live. All our responses to the pressures of urban growth are aimed at making it possible for municipalities to discharge this responsibility. The growing appreciation that an adequate planning area must be big enough to make economic as well as physical planning possible is an important factor in our move towards new forms of municipal government. The emergence of the joint planning board as an instrument of larger area planning is an example of this trend. I should also note the allocation of strong planning functions to the regional levels in the Ottawa-Carleton legislation.

In addition, I would like to mention two programmes which indicate our awareness

for larger area planning. One of these is the regional development programme which is a responsibility of my friend, the Hon. Provincial Treasurer (Mr. MacNaughton). If nothing else, this programme has convinced all of us that economic planning cannot be divorced from physical planning. The second of these programmes is the Metropolitan Toronto and Region Transportation Study, or MTARTS. During the last few months, members have heard a great deal about this exciting excursion into planning for the 21st century. All I wish to add at this time is that MTARTS has shown us that we have both the will and skill to undertake sound planning for urbanized Ontario so that we can control the impact of urban growth upon our physical environment.

I have attempted, Madam Chairman, in these few minutes to emphasize the fact that the most important factor influencing local government in Ontario is urban growth, and to show some of the responses we are making to aid our municipalities in meeting this challenge.

Madam Chairman, we in the government are well aware of these pressures. We know that changes must be made to meet these changing needs. But we must act with care. The reason is simple. Our actions will be a major factor in determining the face of Ontario for several generations to come. We must be sure that what we do will result in municipal government strong enough to cope with the forces of change now occurring, yet flexible enough to meet challenges which are not yet apparent. To do this we are evaluating policy alternatives in detail to arrive at what John Stuart Mill called; "The best possible truth of the moment."

Having said this, and taking into account the many conflicting views and approaches to the reform of loyal government, I wish to make absolutely clear my strong feeling that the pace of reform must quicken. Accordingly, specific proposals will be brought before this House at the appropriate time and you will be asked to make far-reaching decisions on the future of local government in this province.

In this spirit then, Madam Chairman, I beg leave to present the estimates of my department to the hon. members of this House.

Mr. D. M. Deacon (York Centre): Madam Chairman, in view of the hour and the fact that my comments will take a little more longer than the normal time, I would appreciate the House permitting me to move adjournment of the House at this time.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Start with your remarks now. We will be back at 2 of the clock.

Mr. Deacon: In view of that, I shall commence. I would like to say that I, too, would pay tribute to some of the work that the past Minister, Mr. Spooner, and the present Minister have been doing in The Department of Municipal Affairs in endeavouring to improve the efficiency and performance of local government. They have been studying many of the problems that arise from small units of government established in a different era, and under different conditions. But, as the member for Wellington South (Mr. Worton) stated in a Friday morning Budget debate, one of the real problems in this age of big government is maintaining the interest, and using the abilities and the expertise of the man in the street. It is difficult to retain these under these very large units where it is not feasible to have as many representatives. We, therefore, have to develop new roles where these men and women can participate usefully, and can add their ideas, and can involve their communities closely in government. Certainly in municipal government, in local government, we have the greatest opportunity to do this.

The role of the provincial government is surely one of setting out perimeters, not detailed decisions. We need to set out the desirable objectives and set the services and the conditions under which these goals can be achieved. We need to get the detailed work, the detailed thinking, don by those people right on the spot who are aware of the problems, meeting the problems every day, rather than those down here in Queen's Park who are not facing these situation and often overlook some very basic ingredients that make for happy solutions in local areas.

Approval in principle should provide the framework in which decisions can be carried out rather than be a subsequent bottleneck. Today we are still approving things after the local groups have made their decisions and set out their opinions, even though these basic decisions that they have made in detail are within the principles that we desire.

It is similar in context to Dr. Livingstone being sent out to Africa to look for Victoria Falls. Our experts in Queen's Park are sent out to look at a situation in the hinterland and they decide what the government here is

going to do. Certainly they work in concert and some cooperation with the local people but the department is still operating in the colonial age insofar as the method by which it is approaching the problems in the various regions.

They get a request from a region to help solve a problem, but instead of going into the region and saying: "Look! You folks know what the problem is, you have the expertise among you with all your experience. We can tell you that what we want here is a certain framework which will not adversely affect the area around you, the regions that are neighbouring to you. We will give you these broad perimeters to work within. We will give you someone to help coordinate your work because we recognize the fact that it is difficult to choose a chairman from among your number who is not politically in a position where he cannot work to greatest advantage. So we will work with you by chairing your meetings, bringing to you resources and materials that will help your research be broader and in greater depth, but we basically want you to come up with a solution. Knowing all the facts, knowing the background, you develop the solution."

In the case of the Hardy report developed at the Lakehead, the department sent an expert into the area who did consult with local folks but on more than one occasion he was critical of the ability of local people to grasp all the implications of his proposals. This is natural. People do not like to have their proposal imposed upon them. They want to have a feeling it is their development, their ideas, and they sometimes know far better than we do what is best for them.

The Lakehead municipalities in effect asked for assistance but they did not ask for the decision of Queen's Park as to what the final decision would be. They wanted leadership, they did not want dictatorship. The "imposed from above and from outside" pattern of decision, is characteristic of the Hardy report, and we should not again have this type of study produced by the department.

The Minister must take a diametrically opposed position. Start from the grass roots, build up cadres in the local areas to work with his field of officers; teams of local experts and representatives who know not only the terrain and the people, but also their specialties inside out, be it water tables or movement of commuters between home and place of employment, or anticipated problems of air and water pollution that are likely to arise with the advance of industrialization and urbanization.

The Minister may point out such examples of short-sightedness by local municipalities, as Neebing township who in an earlier referendum did not have the benefit of prior educational campaign and just about legislated themselves out of the 20th century by refusing the money necessary for the provisions of a water supply adequate for their projected growth.

Mr. Chairman: I wonder if the member would find this an oportune point at which to break his remarks.

Mr. Deacon: I so move.

It being 12.30 of the clock, p.m., the House took recess.

APPENDIX

(See page 5703)

9. *Mr. Sargent*—Enquiry of the Ministry—(a) Will the Minister advise how many juveniles are in Ontario penal institutions; (b) in how many cases did the court have pre-sentence recommendations from social workers, probation officers, psychiatrists, etc.; (c) what facilities, if any, are there for segregation of these juveniles from adult inmates?

Answer by the Minister of Correctional Services:

(a) On the date of the order, February 23rd, two juveniles, both 15 years of age, were being held on court orders in two county jails.

(b) I am advised that the juvenile and family court judges and magistrates of the province of Ontario, prior to ordering a juvenile to be admitted at a training school, examine carefully the social background of each juvenile to be so admitted. In most cases, such social history would be made by a probation officer. Wherever there are indications arising from the evidence of the trial that a juvenile requires psychiatric examination, such examination is arranged on the direction of the judge or magistrate before a decision is made.

In every case where a juvenile is a ward of the children's aid society, a detailed social report and recommendation are presented to the court by the society.

In the calendar year 1967, there were 4,380 pre-sentence reports prepared for the juvenile courts by the Ontario probation service.

(c) When a juvenile over the age of 14, of which there are very few as noted above, is admitted to jail on a court order, the jail authorities immediately advise the department. The situation is discussed fully and arrangements are made to provide segregation within the jail as complete as facilities will permit. Every effort is made to ensure that no juvenile is allowed to mingle with older offenders.

43. *Mr. Bullbrook*—Enquiry of the Ministry—(a) What is the significance for Ontario Hydro of the announced merger of the Peterborough design staff of Canadian General Electric and the Sheridan Park design staff of Atomic Energy of Canada Limited; (b) does this news mean that Ontario Hydro will now have only one design organization to look to in the atomic energy field—the agency of the federal government; (c) will the Minister now consider the question of the retention by Ontario Hydro of independent consultants to offer a third opinion on technological developments in the nuclear power field; (d) has the Minister noted the comment of *Globe and Mail* reporter John Picton on page B1 of the March 22nd business section to the effect that this merger will offer "stronger opposition to foreign designers who may bid on nuclear contracts in Canada"?

Answer by the Minister of Energy and Resources Management:

(a) Ontario Hydro regards the announced merger of the Peterborough nuclear plant design staff of C.G.E. and the Sheridan Park design staff of A.E.C.L. as a constructive step toward more effective utilization of the available specialized nuclear plant design capability in Canada. Ontario Hydro also welcomes the increased participation of other companies.

(b) No.

(c) Ontario Hydro has under continuing review the question of employment of independent consultants. Timing is, of course, important in the pioneer stages of the development of nuclear power. Initially the main emphasis has had to be on the development of the programme under the auspices of A.E.C.L. and Ontario Hydro. But as this programme expands, greater opportunities for participation by other business enterprises may be expected.

(d) Yes.

60. *Mr. Spence*—Enquiry of the Ministry—Would the Minister of Municipal Affairs inform us (a) how many American cottages or homes are assessed in the amount of $2,000, or less, in the province of Ontario; (b) how many cottages or homes, other than American-owned, are assessed at $2,000, or less, in the province of Ontario?

Answer by the Minister of Municipal Affairs.

This information is available at the municipal level only, and in each municipality the number would have to be determined directly from the assessment roll.

The municipalities are not required to correlate and publish such figures and there has never been necessity for them to notify The Department of Municipal Affairs in this regard.

Legislature of Ontario Debates

No. 151

ONTARIO

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Afternoon Session

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JULY 16, 1968

The House resumed at 2 o'clock, p.m.

ESTIMATES, DEPARTMENT OF MUNICIPAL AFFAIRS
(*Continued*)

Mr. Chairman: The member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Chairman, before adjournment for lunch I made some comment about the problem of leaving responsibility and decisions entirely with local municipalities. I mentioned the fact that possibly the situation in the township of Neebing, where the local voters almost voted themselves out of the 20th century by refusing moneys necessary for the provision of a water supply, was good reason to say that Queen's Park knows better.

I submit that where local people are made aware of all the facts—where there is a campaign to see that they are well informed as to the alternatives—then they should be given the right to make the decisions, even though those decisions be wrong.

A very basic aspect of this new experiment, that has proved so successful in Arizona with the Indians, has been that they have been given the right to make their own decisions and control their own destinies. They have been given the information, had all factors put in front of them and then they decide. Somebody does not, from on high, take over the role of a colonial office and tell them what is right and wrong.

The department needs to take municipalities into their confidence and work out with the municipalities the best standard and the best plan and details for their reorganization, so that they can control land and make decisions for their own future.

Recently, the leader of the Opposition (Mr. Nixon) had the following comment to make in the Lakehead:

> When distance is added to possible alienation and apathy, then we have the makings of government by administrative decree. When the tax bills come from some remote centre—

he was referring to the Thunder Bay district as proposed in the report—

> —how do we retain local interest and initiative? Haven't we relegated people in such areas to being a mere colony of the province?

A very basic and understandable desire of all people is to be able to make their own decisions and they are quite prepared to accept the responsibility for their own actions when they are wrong. The department too often says: "We know better than you do, what is best for you."

The department must change this attitude of doing the planning and making the decisions on behalf of areas of this province. Its role must be one of co-ordination and developing, in concert with the local representatives, plans for long-term development of these regions.

Many point out all the time the inefficiencies and parochial attitudes and shortsightedness of small units, but the department should place before the local representatives and the public, the facts and figures in readily understandable form. It will be surprised at the remarkably sound results that the department, in concert with local authorities, will be able to achieve.

The Hardy report and all reports developed in the same manner is government by direct-distance-dialing—the old one-one-two punch. People will not buy it. They do not want to be colonials. They want to be part of the decision-making, not ciphers. I say that the most serious criticism I can level at The Department of Municipal Affairs today is in this context—that the Minister regards people as recipients of the largesse of the province—his largesse, rather than as partners in municipal enterprise.

The Minister is wrong. If this were private business he would still be wrong. The most successful businesses today are those which operate on a franchise, rather than a branch plant principle. In the retail field, it is IGA, Becker's Milk, Canadian Tire that are the interesting operations to watch. They are the ones that are growing.

The big chains running branch stores are not even in the running when it comes to growth and why? Because the franchise operation has something else going for it—local initiative, personal initiative on the part of the manager and his staff and the owner and his staff in the case of franchise operation. So it would be with the regional government, if it were to grow from these basic roots.

In a franchise operation the role of head office is the training of management and staff, co-ordination of buying and advertising, and formulation of general policy. A parallel role awaits The Department of Municipal Affairs—and a parallel opportunity awaits the municipalities.

I would like to say something about the role of the provincial Department of Municipal Affairs in the light of the publicity given to the fears of the Provincial Treasurer (Mr. MacNaughton) as expressed during his estimates yesterday and as reported in today's *Globe and Mail.*

"Keep Hands Off Municipal Affairs, Federal Government Is Warned by Ontario," as the headline says.

The Treasurer has said we would not move until the Smith and Carter reports have been studied and joint federal-provincial tax sharing talks are held. But in fact, the reaction to the premature picking out of one rather absurd item, the basic shelter exemption, from the overall context of the Smith report, weakens this argument considerably. In fact, this provision and that of the takeover of cost of administration of justice were seized upon out of context as election gimmicks and now the Provincial Treasurer is embarrassed.

A surprising number of electors are of the opinion that for a government to give out money in this fashion is to betray a lack of sophistication that does not fit well with its complex fiscal responsibilities in today's world.

Most thoughtful people sensed that the Smith committee must have been nodding when it came up with this idea. When you look at it, the basic shelter exemption payment has most of the qualities of a classic Social Credit handout. It turns every high-rise into a mythical joint-stock company, in the middle of a south sea bubble, and this can only result in rent increases all around. It is just as much "faith" money as anything that Major Douglas ever dreamed up.

Had this proposal come within the purview of R. B. Bennett in 1935 he would have damned it as one more scheme which would result in inflation of the currency. And now history repeats itself fully with the Provincial Treasurer's cry heard yesterday, as from the ghost of Aberhart himself, "on to Ottawa".

If local initiative is preserved, the threat of federal intrusion into the municipal field, which the Provincial Treasurer so much feared, will not materialize. I would certainly welcome new thoughts and new ideas martialled to help out the housing crisis; I think all of us would. And I know, for example, with the project BEAM, which my colleague from Ottawa Centre (Mr. MacKenzie) mentioned during the Public Works debate, a large-scale extension of modular construction will be initiated by the federal authorities.

This standardization of window sizes, doors, partitions, and so on, can surely not be regarded as an infringement upon provincial sovereignty. Yet it is precisely in such areas that the federal government will move to aid housing, a field in which this government has conspicuously failed to show results.

There was a private member's motion introduced—a resolution introduced to make the national building code a mandatory code within this province. All sorts of excuses were put up but, basically, this is a very important ingredient of easing the problem of building houses to a standard. Soaring land values, high construction costs and high local taxation for services, particularly education, has made owning a home the prerogative of the rich man and a distant hope of the middle-income man.

For the lower-to-average income man, a home of his own is now no more than a mirage. He is told that he must settle for less, for the neurotic possibilities of the high-rise or for the involuntary intimacy of row housing. A row house is still a row house even if you call it a town house. And a tenement is still a tenement by any other name.

Therefore, anything the federal government can do to break the bottleneck, the housing shortage, will be welcomed by the people of Ontario. They are not so concerned about the niceties of The BNA Act as they are with getting a roof over their heads, a home of their own.

I suspect that if either the Minister of Municipal Affairs (Mr. McKeough) or the Provincial Treasurer attempt to make an issue

out of this, he will be making a big mistake, because I sense that the people are not with the Robarts government in this. They want action and they want formulas that provide the real possibility of a home within their natural lifetime.

If Mr. Hellyer is able by a massive infusion of brain power to distill the wisdom that will break the bottleneck and stop this land cost spiral, I say more power to him, and The BNA Act be damned or amended as the case may be.

Neither the Minister of Municipal Affairs nor the Provincial Treasurer will be able to play Hans at the dyke with the municipalities unless, while blocking the flow of possible aid from Ottawa, they also come up with solutions to urban problems. If they try to block Ottawa in its search for solutions, even as they also fail themselves, then the dam will burst and the dyke that is The BNA Act will crumble before the pressure of the people themselves. It is useful so long as it is useful, and not a moment longer.

In this regard, one of the major problems and stumbling blocks to municipal agreements in housing subdivisions is the fear of a repetition of the problem faced by Pickering township. Where they agree to a lot of housing, they do not have the business and commercial assessment to go along with it to share the costs, the spiralling costs of education and, as a result, they are strangled.

What is needed here is some form of subsidy over a 10-year period, perhaps on a declining basis, which will give them time to adjust to a proper balance of assessment.

Men of goodwill have the means to revise their country's constitution and have plenty of time for this major task. And, sir, this talk about rigid constitutional barriers and Ottawa staying out of our hair here is just a red herring.

During the lunch hour, we were able to take advantage of the hiatus so kindly provided by the hon. House leader to check with Ottawa on what might have provoked the Provincial Treasurer to wrath yesterday. And apparently it was the remarks of Mr. Hellyer at the University of Waterloo, as reported in the *Toronto Daily Star* of July 10. Here is what the *Daily Star* reported—or reported Mr. Hellyer as having said:

> The federal government has a responsibility to take the initiative in the formation of long-range plans. The federal government has this responsibility as opposed to the responsibility for urban development and growth. We are calling together provincial and municipal authorities, bankers, trade unions, and academics, plus those directly concerned with the important problems of urbanization facing Canadians. We hope that policy can be ironed out.

It is clear that what is causing the hang-up in the Provincial Treasurer's mind is Mr. Hellyer's use of the word "responsibility." Since this was not used in a legal sense, Mr. Hellyer said that the word "interest" or "concern" might well be substituted for it.

If this is done, then I say there is no problem to men of goodwill, even under the present BNA Act. It is under our present constitution that the task force on urban problems is working now. It is under our present constitution that we shall see the federal white paper on urbanization and housing in September, and it is under the present constitution that we shall see new federal legislation in the fall.

Evidently, it is this legislation that the Provincial Treasurer and the Minister of Municipal Affairs fear, rather than the constitutional jurisdictional challenge which is hypothetical in the extreme.

It is quite clear that the pressure for constitutional reform must come from the people themselves, and people without a roof over their heads are notoriously more ready for change than those who are settled.

One last point I want to make: We are, in this area, facing a tremendous problem due to the explosion of population in the Metro Toronto area. The government is looking at, and considering abdicating, its responsibilities to Metro Toronto for providing services, educational assistance and transportation requirements for those lying outside this immediate municipality of Metropolitan Toronto by absorbing the outlying municipalities into Toronto. This is a short-term easy solution. What they are going to end up with is a Metro Toronto which is in size more than half the whole province. And what is left for our 21st century planning that the Minister talks about? We will have a city state here and maybe that is the best answer. If it is Markham and Vaughan and Pickering now they are considering, what will it be another 25 years from now?

We must find another solution for providing the services, in providing the assistance in the way of education assistance and providing transportation, other than shirking it off to Metro Toronto.

We must set up regions, whether they be present county in size or adjusted, which can

provide the financing for the internal services. We must provide through the Ontario water resources commission in co-operation with this department, services that will fit with the department's long-range plans for development, for housing. And we must provide the other amenities that are needed to enable developers to bring on to the market a substantially greater supply of housing lots than the demand at the present time.

Only then, when we face this problem of supply and demand this problem that the province has to deal with—problems of servicing, including garbage—and not leave it with the municipalities to fight among themselves, until we face these problems squarely as the responsibility of the province and solve them; and the province is going to abdicate its position now in a way that will mean the end of a strong and viable Ontario in the 21st century.

I call upon this Minister through his department to give leadership to this government in solving our problems of housing and the explosion of population in a way that sets out major perimeters and creates the circumstances under which private enterprise can do the job which it can do, but not while it is hobbled.

And then we shall not see situations such as Pickering where municipalities are crippled if they answer the social needs of the people for housing, but where municipalities are quite prepared to go forward, even with Ontario housing or others, with any projects they want because they can see they can afford to do it.

I call upon this Department of Municipal Affairs under its Minister, to take a new look at its role—which is now one of initialling hundreds of plans in areas that already have master plans and the plans conform to those master plans and be certified they conform. Instead of doing a lot of this insignificant meaningless paper work it should get down to the real job that the province should be doing. That is, creating the perimeters, the atmosphere in which individuals can carry out effectively through their own local governments.

Mr. Chairman: The member for Yorkview.

Mr. F. Young (Yorkview): Mr. Chairman, in rising to speak on the estimates of The Department of Municipal Affairs, I can only say that I am a bit bewildered at the stand just taken by the hon. member of the official Opposition in this field.

It looks as if the spokesman for that party wants to sit on both sides of the fence at once. He wants to have provincial guidance at the same time that he wants to have individual responsibilities at the municipal level, and I will have something to say about that later on.

An hon. member: Get off it!

Mr. Young: It is a different story or tune than we have heard in recent years from this party in this field.

An hon. member: Right!

Mr. Young: Now, I do want to congratulate the Minister of Municipal Affairs upon his appointment to this extremely important post in the Cabinet.

An hon. member: They could not get anybody else!

Mr. Young: I would like to wish him well as he faces one of the most important and one of the most difficult jobs in this province at this time; the modernization of the municipal structure as set up by The Baldwin Act, over a century ago.

Some of the Minister's more recent statements would indicate that he is aware of the urgency of this modernization programme. Certainly, his statement this morning would indicate that he has a real grasp of the problem that he faces today and I would hope that this statement is the forerunner of many more to come, and I would hope that the skeleton which he set out this morning will be fleshed out before too many years are passed.

I also hope that this Minister is really serious. We have heard these grand general statements year after year in this House. Now we have a new Minister, and we give him full credit and our best wishes and full support as he attempts to do the job that he has to do.

He has inherited a situation in which former Ministers just refused to act, or acted with all too great hesitancy. When they were forced through the very pressure of events to act, it was with extreme caution and at a snail's pace. The result is that problems have piled up, and this Minister faces a crisis of mammoth proportions. The fact is that there are municipalities that are designed for the 1850's and they just cannot do the job that they were designed for, under the conditions of the 1960's.

Municipal experts tell us that with the kind of economy we now have, with the kind of social responsibility that we now accept along with the changing functions of government at all levels, and efficient municipal government now needs about 250,000 people to adequately support the functions which citizens are demanding of it. But we have only about half a dozen Ontario municipalities in this population category. Of the rest, 90 per cent are at 8,000 people or less, and the fact is that 99 per cent of our Ontario municipalities are still just not large enough to meet the demands for 1968. Even if we scale that population figure down from 250,000 to 150,000, that statement is still true.

No wonder then, that the other Ministers in the Cabinet have, as a matter of sheer efficiency, overridden and ignored the tiny municipalities, the legacy of a bygone age, and set up their own administrative units. In the process, they have taken over at the provincial level, all too many of the functions, which were once and should be today, the functions of local government. As a result we have a hodgepodge of administrative boundaries set up by the various Ministers without relationship to each other, and certainly without regard to the municipal units that happened to exist within them.

I have said in former years, and I say now, that the refusal of former Ministers of Municipal Affairs and of this government to move more rapidly toward a modernization of our municipal structure, is destroying effective local government—this is exactly what the Minister himself had to say this morning on this problem—and is substituting for it, the provincial administration in all too many areas. Perhaps now, after what we have heard, this Minister is ready to move. We hope so.

A couple of years ago, I suggested to the former Minister that he might win a permanent niche in the history of Ontario if he would tackle with realism and determination the setting up of new regional municipalities in this province.

Mr. E. Sargent (Grey-Bruce): What happened to him?

Mr. Young: Well, he did not move, and the voters saw fit to censure his laconic approach. So I repeat what I said at that time. Now, the new Minister has been handed the torch, and if he holds it high, and tackles this problem with real courage and real determination, who knows but that visiting school children a century from now will ask, "Who is that fine-looking gentleman carved in immortal bronze, gracing the front lawn of the Parliament buildings?"

Mr. V. M. Singer (Downsview): Where is your violin?

Mr. Young: Well, the answer might come if the hon. Minister of Municipal Affairs was the man who had the guts to reshape the structure of municipal government in Ontario and bring it into the 20th century—if he did for the jet age what Baldwin did for the colonial age.

Well, Mr. Chairman, I bring that to the Minister's attention. Certainly the job, if it is done properly, will justify that kind of immortality and I hope that this Minister earns it.

But maybe that is asking too much. The fact is that local government can survive in the province only if the smaller municipalities can combine around the strong central cities into regional municipal government, large enough to have an adequate tax base, to plan their own development within the framework of provincial terms of reference, to hire trained and competent staff, to use the computers and other sophisticated machinery now available and to carry out the local functions which were originally intended for municipalities. And this means that many of their functions which have been eroded to the provincial level must be returned to local government and this may well be one of the basic problems that this Minister faces.

His colleagues, having reorganized their departments because of a failure of local government, now like the power they have assumed as well as the efficiency with which they think they operate and they will have no enthusiasm at all for the idea of setting up new regional municipalities to which they would have to restore much of the powers and functions which they now hold. That is the dilemma which this Minister faces. But every year of delay consolidates these Ministerial administrative areas and makes it more difficult for the re-emerging of meaningful local government.

Already this year, Bill 44 has in effect taken education out of the local municipalities. I know the hon. Prime Minister (Mr. Robarts) has as recently as November 14, 1967, said this, when he spoke to the Southwood secondary school in the city of Galt:

> I must stress that the government of Ontario is not, by implication, designating

> the county as the basis of any system of regional government which may be adopted in the future. The idea of regional government or any such consolidated form of local government is still under study by this government.

But the fact is that each of these new school units will be setting up an educational centre in the county. The administration will be set up, the organization and all the paraphernalia will be built around that new centre, and then it is going to be much more difficult for this Minister if he envisages regional government larger than the county—and certainly that is needed—to come into effect in the days ahead. Of course, the hon. Minister of Correctional Services (Mr. Grossman)—or his old title, Reform Institutions—is going ahead with his regional detention centres completely obvious to the future needs of regional government and of larger municipal units. He is combining these units wherever he can, and setting up the detention centres.

Now, it is true, as the Minister said, that studies are under way. We had these studies in Niagara, Peel-Halton, and the Lakehead. But outside of the Ottawa study this House says to the Minister, "What action is being taken?" The Niagara study has been in for three years now but as far as the appearances are concerned, little or nothing has taken place. The Peel-Halton study sits there, a nice study. I do not agree with some of it and I do not think—at least I would say that a great many of the members here do not agree with some of the recommendations —but the fact is, it sits there. And while there may be discussions going on, that we know not of, the fact is that at a time of urgency when municipalities are dying because of a lack of action on the part of this government, and more and more of their powers are being eroded to central government, these studies are sitting on the shelves; and action, as far as we can see, is not taking place. Now what seems to happen with this government in this field is just the same as happens in so many other things, that the government reacts to crisis and when the crisis becomes acute, action is taken. Metro Toronto is a case in point: When the crisis blew to mammoth proportions we got Bill 81. When the Ottawa situation became intolerable, then action came in that field.

I do not know how long we have to wait in the other fields before we get action. But the other thing which is disturbing, I think, to many of us is that when action does come it is action which we are told is politically possible at the time. And yet it is action which is setting up new municipalities, and in the case of Metro and Ottawa where you have power blocs warring within the municipality with each other. It may be again a little bit of the divide-and-rule philisophy, but you have right here in Metro, and you have the same thing in Ottawa, where each smaller municipality is warring for industrial and apartment assessment, where each one will reject the idea of low-cost low-income housing and where these problems are festering, and will continue to fester as long as there is no one, overall power within the municipality to co-ordinate and to do the job that has to be done.

So we find that this is the situation. Along with this is another disturbing element where some of the members of this government heartily disagree with what the Minister has said this morning. I have only to refer to what the hon. member for York Centre has already referred to and that is, the statement of the hon. Provincial Treasurer yesterday, in reply to a question which I posed to him about the function and power of the economic council. He said this:

> Mr. Chairman, no. I would hardly think that the regional development programme on the one hand and the matter of regional government on the other hand, are closely related. There may be areas where there could well be a course of consultation, but this was not the purpose for the establishment of regional development councils or the regional development programme, in the first instance. As far as I am aware, Mr. Chairman, there is a rather substantial difference between regional government as it is contemplated or proposed and regional development, although, as I say, they may come together once in a while. But I do not think they are closely related.

It just seems to me, Mr. Chairman, that here are two different points of view. Because, after all, if the present councils are going to move forward to be entities of their own to plan regionally and plan economically, this is just at loggerheads with what the Minister has said this morning when he spoke of the necessity of regions which are adequate planning areas. He said they must be big enough to make economic as well as physical planning possible.

This is the kind of conflict which must be resolved within this Cabinet if we are to

have any kind of meaningful regional municipal development in the days ahead. Because if indeed we are to build the municipal government, we must restore to them the power they must have and which has been taken from them, the power to make real decisions at that level. This is where I would disagree with the hon. member for York Centre, because only as we get viable regional municipal governments can we hand these powers back. If the hon. member for York Centre feels that, at the present time, under present circumstances, we can afford to give this decision-making process back to the tiny municipalities, in the first place, they will not know what to do with it and in the second place, economically and otherwise they are just incapable of exercising it. So we might as well face that fact. First of all, before we hand that kind of power back, we must have a larger unit comprised of 150,000 to 250,000 citizens with the kind of power which will make that kind of government really meaningful.

Now, if we are going to do this, of course—basic to the whole proposition—we must have a provincial land-use plan. Norman Pearson told the Legislature's committee on agriculture and food recently that broad areas of land to be used for agriculture cities and urban developments should be marked out. He said:

> Detail and regional planning could then take place within the broad areas mapped in the provincial plan.

And perhaps, this is not so different in essence to what we have already heard. He says:

> Ontario should quickly develop a master plan to use its land in effective ways.

This is from Norman A. Pearson, of the centre for research and resource development at Guelph University. Mr. Pearson knows what he is talking about; he has done a gerat deal of research in this field, and I believe he gives us good advice here. Just in the one field which was mentioned today in the field of GO transit—decisions have to be made in this as in other areas.

The Minister of Transport (Mr. Haskett) whoever is responsible here, has to make the decision. I suppose the Minister of Highways (Mr. Gomme) in this instance, has to make a decision as to which one of the four suggested schemes are going to be implemented. When that is done the Minister can think of the land-use plan around the Metropolitan area; until that is done the part which transport plays in this whole field will frustrate the Minister in setting up any kind of a reasonable land-use plan and so—

Hon. W. D. McKeough (Minister of Municipal Affairs): Would you not put it the other way around?

Mr. Young: I would say it might be co-operation here, but if the Minister of Highways says we are going to have plan 4, for example, I presume that the Minister of Municipal Affairs will be brought in for consultation; he will have to be; then the Minister can say, "Now go ahead, let us have a land-use plan", but he has got to have, I suppose, the approval of the Minister of Highways and the Provincial Treasurer along the way. So it is a team effort, and perhaps the Minister has a real job in correlating and bringing these people together. I would hope that the task force that has been often suggested would be put to work, that we finish with this bits and pieces philosophy in the province of Ontario.

True, we are having studies now in three vital areas, and those studies are extremely important, but what about the land in between? What about the left overs, the pieces in between these large urban centres? Are they going to be tied into the urban centres? Or are they going to be sloughed off? Somehow or other you will have to deal with them after the new regional centres and the new regional governments are set up. I think we cannot afford that kind of luxury, and that kind of delay. Certainly, as Smith has outlined, we have to have some kind of boundaries drawn. Now certainly, the Smith report is not a final thing. He does not say so himself. He says that this is a suggestion which the Minister might take into consideration and which the Legislature might use as a starting point. But there is a starting point. There is a place where we can begin. That kind of work has to be done in some detail, and I would hope that the data that the hon. Provincial Treasurer mentioned yesterday—which is being collected across this province—can be used and can be very, very important in this whole phase of developing a land-use plan for the province of Ontario.

It is very interesting that most European countries do not wait for the municipalities to take the initiative, and I do not think we can afford that here.

In most of the legislation in most of the countries where planning is taken seriously, it says that if a small unit—the municipality does not take the initiative then the next level of government must move in, and tell them that they have got to get busy by a

certain date or else the plan is going to be imposed. And that threat generally serves the purpose, and there is co-operative action mighty fast, when those words are spoken.

Now the Minister does have something of that power now, and we hope that he is not going to hesitate if it is necessary to move in and to set the plans that may be necessary.

I think that along this same line we have to recognize the fact that no local municipality on its own—I should not be as general as that—very few local municipalities will sign their own death warrants by asking for a plan of the area.

I have one very interesting item here from a book which is in the library. It is *A Local Government in Crisis*, written by W. A. Robson, professor emeritus of public administration, University of London.

Now he says this, in one of his chapters in dealing with this whole problem of initiation:

> It is obvious that any far-reaching reform, however necessary in the interest of good local government or even to its mere survival, will be opposed tooth and nail by the local authorities concerned. It can, in fact, only be brought about by the action of a central government acting on its own initiative.

This, of course, comes out of the experience of London, and we saw the same kind of experience here in the province of Ontario.

With the emergence of a land-use plan, with a general outline of where region of governments ought to be in the province of Ontario, we ask the question, what kind of regions should they be?

I am not going to go into that in detail today. The time does not permit it. But I do want to quote from the last issue of *The Municipal World*, where we have an article based on a speech by John Pearson, co-ordinator of regional studies programme, Department of Municipal Affairs. It is called *Community Life and Regionalism*, and it puts forth something of what a regional government might be expected to do.

We hear so much of this problem—that if we have regional government, the city will overshadow the rural population and the rural population will be completely blotted out as far as their influence is concerned. But I think this little excerpt from that speech does show what can happen:

> In Sweden, Stockholm functions as both a county and a city with control over the contiguous area extending miles beyond the city boundaries through the acquisition of lands over 50 years ago by a far-sighted council, representing primarily the business interests of the city.
>
> Today satellite towns are part of the larger community, organically joined to Stockholm's downtown. Highways link the new towns with each other and rapid transit unites them all with the city centre.
>
> While each of the communities have achieved some balance in their economy, offering considerable local employment, commuter and shopping activity maintains a constant flow to and from the central business areas.
>
> While certain administrative functions are vested in the respective towns, the policy for long-term planning and provision of major services is determined by the central administration, operating under a council of 100 members elected on party lines. This centralization of fiscal and development control does not however, unduly inhibit the community organizations and services which thrive in each of the towns.
>
> On a nation-wide scale, Japan has embarked on a most ambitious programme of regional development, initiated in 1960, based on a national policy of central planning, government guidance, and the stimulation of regional and local initiative. This tremendous undertaking ensures a two-fold attack on the congestion of larger cities and the poverty of the remote areas of the country.

Now this is the fear that is in so many minds, and he answers it this way:

> Public investment is being directed to the outer reaches of metropolitan areas to relieve the pressures on the central cities and stem the flow of people from the smaller urban communities and rural settlements. In a fashion, similar to the pattern developed in Stockholm, constellations of small and medium cities are being stabilized through the dispersal of industrial and commercial growth which would normally accrue in the already highly urbanized regions of Japan. Industrial parks are proposed where a depressed rural economy produces surplus labour which would otherwise gravitate to the metropolitan cities.

I think this presents the kind of action which we could expect from a properly organized municipal regional government where the city becomes not a centralizing factor as it is today under present circumstances, with certain overspill taking place into an

organized area with devastating results, but when the whole area becomes a co-ordinated whole, and where the development proceeds outward to the very fringes, and the economic growth is stimulated properly throughout the whole region.

This party has put on record, on a couple of occasions in this House, the foundation plan for municipal finance which, perhaps, we can discuss in more detail in the proper estimate. The Minister has said he would study it. I am not going into those details at the moment, but I am certain—with proper municipal regional government—the foundation plan would be the basis for the whole new structure of government, and the whole new structure of finance. It can help, even today with the small and inefficient municipalities which we have, but that plan, we hope, will develop and eventually will become a financial base for a new structure.

Essential to the new municipalities must be the cities which I have mentioned. What kind of a city are we going to have in the future? Again, the Minister expressed his concern about this this morning. He pointed out that, come what may, by 1980 we are going to be an urban province with great stretches of open space, it is true, but the great centre of influence and industry is going to be more and more centralized here in Ontario. We hope that with this centralization will come the kind of decentralized regional municipality which I have talked about, so that building does not simply go up into the air but spreads out a bit for economic health.

Now what is happening today in Canada? I have a quote here from a Mr. W. H. Cruikshank, vice-president of Bell of Canada Limited, hardly a radical I suppose—

Mr. Sargent: You would not fool him.

Mr. Young: Well, he says something here which I would like to bring before the House, and even though he may not be radical in his point of view, he has something to say to us. Speaking during a panel on the industry's social responsibilities, Mr. Cruikshank said:

> The United States has started to rebuild the long deteriorated social structure of the city.
>
> The gathering storm in Canada has received less attention than the long-deteriorated social structure in the cities of the United States.
>
> Unemployment, inadequate educational systems, lack of opportunity and blight are central to the problem.

He said a dominant factor causing this situation is the shift in population from the city's core to the suburbs.

> Those who could afford to leave the central cities—the affluent, the skilled and the educated, have done so.
>
> Among those were some of the more socially conscious elements of our society: the Sunday school teacher, the boy scout leader, the manager, they have left behind them an incoming tide of the poor, the unskilled, the under-educated, and the so-called disadvantaged.
>
> With this shift in population have come many problems: deterioration in housing, and other private assets, increasing crime, soaring welfare costs. Complicating the issue further is the ever-widening gap between civic expenses and tax revenue.

So says Mr. Cruikshank.

Now, so far in our cities, we have been doing too much of this thing that has been termed "dollar or assessment planning." We have built our communities, we have put up buildings—the factory, the home, the apartment—but community needs have been ignored all too often. Those community needs were supposed to come in later: the libraries, the transportation systems, community centres, things of this nature which make for good community life. We have said, "Well, they will come after the people move in." We make fine plans. The city of Toronto has done this, and so have many other cities, and then we have left them to be implemented by somebody who might come along to do it. Eatons—

Mr. Sargent: They have a responsibility too.

Mr. Young: Yes, they brought a beautiful plan and the city said, "Fine, let us see it implemented, with certain modifications." We have had other plans in the Metro area and always we say we will lay out the plans and then we expect the private *entrepreneur* to move in and carry these plans out. Then the argument starts because the *entrepreneur* wants the bigger dollar value; the city council often wants to build as much social value into it as possible. Then you have the struggle, and very often the *entrepreneur* goes away and says, "I cannot afford to do it."

Now, on the south side of Queen Street we see something which perhaps points the way to the future. Instead of a city simply being a referee, you see, between the planners, and the private developers, the city moved in, bought the land, acquired it, and then said, "We invite private enterprise to build here under certain specific conditions, something which will harmonize with the new city hall." And while there were some difficulties in bringing this to fruition, the fact is it did happen, and this perhaps means that there is something here which we can look at.

Of course, fundamentally, we must make up our minds what we want of our cities, we have to say that cities should be built for people, not for the private *entrepreneur*, and not for the builder, or the subdivider. They should be built primarily for the people who are going to live there in the future. If these cities are to be the centre of a new region, one of the fundamental things—and I come back to what we have talked about so often in this Legislature as far as Metro Toronto is concerned—is GO transit, rapid transit, if we are to think in terms of regional planning fanning out from the cities, then rapid transit ought to be in the very centre. We have to have transit considered to be just as important as sewers or water mains or streets. It often happens in other cities around the world, at the time the city is built, transit is there. And it is there when the people move into the new subdivisions and the new towns. When it is there, then people do not get to depend upon the car as the means of transportation quite as much as if it is not.

I think of the kind of thing which is being done in some of the cities where planning has gone some distance. If I can find my notes, I find the city of Manchester, for example—which is not much different than Metro Toronto in size, a little smaller—there the city has acquired the land in the heart of the city, is building and has built satellite towns outside to move the people out; and those people have the first right to move back into the new structures when they are built. But the thing that struck me about the city of Manchester is that they have on their planning staff 100 qualified planners and architects, and 300 people on their planning staff.

In Preston, in the county of Lancashire, which is a regional government with 2.5 million people, you have 100 qualified planners with 530 people on the planning staff. Now, this is the kind of planning which we have not even thought about on this continent yet. In Amsterdam, in Holland, you have 120 professionals on the planning staff. In Hamburg, 80 planners and 80 traffic engineers—these are the experts—and in the city of Rotterdam, you have 125 planners.

Mr. Sargent: What has this got to do with the beer strike?

Mr. Young: This may not have much to do with the beer strike, I say to the hon. member for Grey-Bruce, but it does have a tremendous amount to do with the kind of cities we are going to live in in the future. What I am saying to this Minister—and if he is serious about this whole matter of the future as he indicated this morning, then we are going to shift our emphasis—we are going to find that in the days ahead we are going to plan communities far more carefully than we have in the past. We mentioned the other day in connection with another item in this House that in the city of Copenhagen, in the great apartment complexes, they build day nurseries right in for the working mothers; they are there as part and parcel of that civilization. We do not do that yet, we do not consider that important here.

We have in Amsterdam, park space which in that country is almost incredible, where you have what they call the densest population per square mile in the world—900 people per square mile. And yet, in the city of Amsterdam, you have park space, one park established there which has 2,100 acres. Two other parks larger than this now developing in that area of great land scarcity. Wide boulevards are there—and open spaces where people can play and people can breathe. In other words these cities are being designed for people, not for builders and land speculators. I suppose in the long run, what was said about Stockholm comes back to us on this continent. As the article pointed out, Stockholm did acquire their land as these other cities have acquired land, brought it in the public domain. I have another quote here from a person who again can hardly be called a radical—if I can find it—a Mr. Churchill:

> Colonel Edward Churchill, the builder of Expo 1967, said yesterday that to encourage better projects, cities should own all the land and remove the profit-making factor from being uppermost in the minds of developers.

This was on June 11, 1968.

> No land in the city should be owned by anyone but the city, he said. The idea should be to get land assembly out of development.

> The Colonel, who is co-ordinating plans for the Northumberland Straits crossing between New Brunswick and Prince Edward Island, said he favours the *entrepreneural* system of development although it has its problems. One of the problems of private development is that it must be a piecemeal thing, as it is hard to establish criteria not based on the profit motive. But if everything was left to the government on the other hand, he said, nothing would happen and development would tend to be uncreative projects.

So he opts for the same kind of thing which so many of the European cities have discovered to be practical—that land is assembled by the city or by the municipality.

And then they can put development plans on that land, and then say to private enterprise, "Come in and help us build, but build according to these particular plans." The city of Stockholm had to expropriate the whole heart of the city for redevelopment; they built the first great office tower, the first basic part of a marketplace there, and then when private enterprise saw how it was going and that every bit of space was rented, they said: "Let us build the next one". And so, the next four were built by the private enterprisers where the government said, "Be our guest" on a 99-year lease, renewable every 20 years, that is, reviewed every 20 years. The city of Farsta, one of the satellite cities of Stockholm, was built by private enterprise, by a consortium of large corporations; but the land was owned by the city and the city plan drawn up by the city and then Farsta was built according to the specifications of the city planners, in co-operation with the planners of the private consortium.

This is the kind of future which I think must be faced if we are going to build real cities that have meaning in the province of Ontario. Along with this we could mention other things such as the face-lifting of existing areas, the cleaning up of our slums, and all that sort of thing. But I am simply saying to the Minister, and to this House today, that we have a tremendous challenge in renovating our cities, and we have not much time. We have been warned by planner after planner that the years are going by all too quickly and the costs are sky-rocketing with the years.

The hon. Minister of Education (Mr. Davis) not long ago in this House, pointed out that while it is a costly business to educate our young people, education is an investment in the future that will pay off in the future. And while it may be a costly business to invest in the cities, that investment is something which will pay off in greater production and more efficiency in the days ahead. And, if we can combine our regional development with the renovation of our cities and building, with imagination and foresight, the new cities that are bound to emerge over the next few years, then we are getting some place in this province.

There has been a lot said in this House about the role of the federal government in this whole process. I am not going to go into that in detail today. But I will say this—that the kind of money which is going to be demanded for our city rejuvenation must come from the federal Treasury. They have the great taxing base; that is ultimately where it must come from. That means, simply, that this Minister—he is wide awake—if he is going to do his job, has got to work with the new Minister in Ottawa, making sure that the money flows in for these specific purposes.

I know we have these economic regions set up, which may be devices in some meassure to get federal money for economic purposes, I do not know. But the fact is that there must be co-ordination—provincial, municipal, federal—to see that the great fiscal resources are there, to put into rapid transit, to tear down the slums, to put the new kind of airy, spacious, liveable cities into the province of Ontario.

So, today, to this Minister, we simply say that we hope that he faces this task with realism and with determination. I have some speeches on my desk where he makes the statement—two of them use the same words—"we cannot afford the luxury of taking a leisurely approach to coping with the responsibility of designing and building the cities and the towns of the future." And he read that again today. "We have not the time to do it."

So today, Mr. Chairman, I say to this House, and to this Minister, that the challenge of renovation of our cities and the challenge of the renovation of the municipal government and giving it the power it ought to have, are the great challenges before this Minister, and we wish him well as he undertakes them.

Hon. Mr. McKeough: Mr. Chairman, I appreciate the remarks of the member for York Centre and the member for Yorkview. Both, I think, have outlined many of the challenges, if not all of them, of the position of the Minister of Municipal Affairs.

I am intrigued with the idea of having some sort of a niche on these walls one hundred years from now, but I keep thinking of some of the various gargoyles that are around and I think, perhaps, I will settle for something less.

An hon. member: On the lawn covered with mildew.

Interjections by hon. members.

Hon. Mr. McKeough: Mr. Chairman, I think the matters raised cover a variety of topics, and rather than make any comments on them now, we will deal with them under the votes. So, I think we might carry right on.

On vote 1401:

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I would like to bring to the attention of the hon. Minister a resolution that has been passed or approved by the council of the city of Windsor. It can have some important bearing, not only on the municipality, but on municipalities throughout the length and breadth of Ontario. It concerns the duplication of studies that may take place in various municipalities.

The council thinks that in The Department of Municipal Affairs there should be some type of division set up so that various municipalities throughout the province could obtain the reports and results of studies over a wide range of municipal operations, so that they themselves would not engage in studies that may be undertaken in other areas. In other words, what they would like is sort of a clearing house for ideas, and in that way save their own taxpayer some money.

I would like the Minister's comments on this, and ask him if he is considering the implementation of such a suggestion, or possibly, whether he has something similar to this actually in operation today?

Hon. Mr. McKeough: Mr. Chairman, I replied to the city of Windsor yesterday. I do not think we have found the copy of the letter as yet, but it is here somewhere.

We pointed out to them that there are a number of facilities available now. We have in The Department of Municipal Affairs, I think, one of the best municipal libraries in the province. We do have a research section, and I think it would be fair to say that, in the six months that I have been there, they have not done all the research that they would have liked to have done because they have been working on specific projects and I think are going to continue to be. But hopefully, in their odd moments, they do get some time to do some pure research.

There are other facilities available for research. The federation of mayors and municipalities for Canada have quite a research section.

I undertook to the city of Windsor to have a further look at that resolution. I do not want to do anything that is going to duplicate something which is being done now either by us, or by others. It may be that some co-ordinating effort will be necessary.

Mr. B. Newman: Mr. Chairman, this is just exactly what we want—some clearing house somewhere in the province where they can go and attempt to find answers to the various problems they may have. I think the Minister is using the right approach.

Mr. I. Deans (Wentworth): Mr. Chairman, I would like to directly discuss a matter that I discussed with the Minister and with the Deputy Minister earlier last week. The problem—

Hon. Mr. McKeough: I think that would come under vote 1402.

Mr. Deans: Vote 1402? Thank you.

Mr. Sargent: Mr. Chairman, this may or may not be the place to talk about basic exemption grants. Does the Minister want to discuss that here?

Hon. Mr. McKeough: No, there is an item for that under vote 1405.

Mr. E. A. Winkler (Grey South): Mr. Chairman, my remarks also are directed mainly at planning and, if the Minister so desires, I can wait until that particular item arises.

Mr. H. Peacock (Windsor West): Mr. Chairman, I would like to ask the Minister, if under vote 1401, the appointment of commissioners of enquiry under section 320 of The Municipal Act should be discussed. I believe that is the relevant section.

I am referring to the appointment of his honour Judge S. L. Clunis as commissioner into the sale of lots by the municipality of Sandwich West, prior to the annexation of a portion of that township by the city of Windsor, as of January 1, 1966.

Mr. Chairman, I do not know what has become of the activities of that commission, but they do seem to be in abeyance and while I cannot discuss the matters within the

terms of reference of the commission—which I believe the city of Windsor applied to the Minister to have broadened and they were not broadened—I would like to ask the Minister where the activities of the commission now stand, whether or not the commissioner is going to proceed to a conclusion and submit his report to the Minister and whether the Minister will release that report to us in the very near future.

This matter has been outstanding for a considerable length of time. The application by the city to have the terms of reference broadened so that enquiry could be made as to the names of the individuals who participated in any way in the sale of these lots was refused, I think, with consequent undue restriction on the objectives of the commission and consequently a denial to the citizens of Windsor and the public of information to which they were entitled.

I hope that the Minister, having turned down that request, will not allow this commission to simply pass into oblivion, but that we will have a report and have it in the near future.

Hon. Mr. McKeough: Mr. Chairman, this perhaps might be more appropriate under 1404 but let us deal with it now. The commission was appointed by order-in-council on July 20, 1967. His honour Judge Clunis was appointed at that time to enquire into the sufficiency of the sale price of all land sold by the corporation in the township of Sandwich West—I think those were the terms of reference.

Now, the last report I had was sometime in April, which indicated his honour was scheduled to conclude his hearings during the latter part of March. Then we were advised by the counsel for the commissioner that the hearings had been completed and transcripts were in preparation.

There was no indication then of the time for submission of Judge Clunis' report, and it has not come to my attention. I will be glad to see what the delay is. It should be pointed out that the good people of Windsor have kept his honour Judge Clunis busy on a number of other matters and I think there is a shortage of judges in Windsor and I suspect this is the reason. But I will be glad to look into that and see where the status of it is now.

Mr. Deacon: Mr. Chairman, under main office we have quite a substantial item for salaries, and so on. And in the annual report the Minister sets out a very useful diagram which is very helpful here. I was wondering if he would advise us as to what items are covered in the annual report.

As I see it, all the top items of the main office, but also the law branch, the administrative services branch, the municipal research branch—is that correct?

Hon. Mr. McKeough: Mr. Chairman, there are four branches, if I can put it that way, under the main office, the main office itself being the Minister's office and the Deputy Minister's office, municipal research, the law branch, and administrative services. Included with the main office are the studies under local government reviews.

Mr. Deacon: Mr. Chairman, would the Minister advise the Legislature as to how much of item 4 is for outside experts that are retained, how much is going outside for consulting services, and how much of that amount is for staff that is detailed to work in that type of work?

Hon. Mr. McKeough: On item 4, $325,000, I would think, would practically all be for outside services. Included in that item is some $300,000 for local government reviews, $20,000 for special enquiries—items which come up from time to time—and finally, there is a $5,000 item for a study which we are doing in conjunction with the regional development branch of Treasury, which is actually administering the project but we are paying for part of it. In answer to the member's question, all of that $325,000 would be for outside people.

Mr. Deacon: Mr. Chairman, the purpose of employing outside people is rather contrary to the concept of using the knowledge of local people rather than imposing outside experts' ideas upon them. I would feel that we should consider expending this money and getting much more out of it by hiring more qualified people within the department who are aware of the importance of gathering in and co-ordinating local opinion and expertise and developing plans thereby.

One of the great problems of developing plans is implementing them. You can develop a plan but the big problem is to have it accepted. The Minister, I know, has had experience in municipal work as an alderman and must recognize the suspicion with which the views of outside experts are viewed. Often they are people who have been associated with universities and not

down to earth, everyday municipal governments.

I think in many instances these plans, including the Ottawa-Carleton and Metro plans, have been well conceived. Basically we have done a good job. This government deserves credit for leading, I think, the world in this form of co-ordinated borough government. But often what we are doing is we are imposing an idea from the top instead of developing it in co-ordination with the local people.

I submit that we would get far more effective results, we would have plans accepted more readily, were the Minister to change this policy of going to outsiders and instead using the money within his own department with men qualified and experienced in local government, hiring them within the department and putting them out in the field.

We have many leaders in local government who would be well qualified to organize these studies and consider them in their negotiations and studies. I submit that this item should not be spent outside; it should be spent within the department in co-ordination with the municipalities.

Hon. Mr. McKeough: Mr. Chairman, I would like to answer the point that the member raised during his opening remarks, and perhaps this would be a good time to deal with it. I do not think that it is as serious as he described, or as cut and dried either.

Let me say first of all that when an area indicates that it would like a review of problems, we call it a local government review. They know that some change is needed, and perhaps that is as far as they have defined it, so they have come in the past and asked for this kind of assistance and we have proceeded down a certain path.

This is not to say that the path will not change, or our approach will not change. What has happened is that normally we will appoint a commissioner or commissioners from outside the government, often from academic circles, and sometimes from planning circles, who presumably bring in an independent and fresh point of view.

I doubt very much whether most municipalities would accept the department putting itself completely in the position of the Royal commission. What municipalities are looking for—and what we are looking for, frankly, because we admit that we do not have all the answers—is this independent, fresh approach.

Sometimes these people are more independent of pressure, if I can put it that way, than perhaps is palatable. My friend from Yorkview referred to a report in an area somewhere near here, and I think that we might describe it that way. But they do take this type of approach.

Now in this process and preparation of the data book, normally, and increasingly so, our own staff is involved in the research capacity of collecting the data and often acts as secretary to the commissioner, and so on. We involve our staff this way. But to date we have felt—and I am not saying that this will change—that an outside person presents a more independent and fresh approach which is more acceptable to the people involved.

Now, from that point on, once he has made one report—and let me say that I think some commissioners communicate better than others—I would suspect that those commissioners have a better idea of where they are going before they start on the job, because they have some ideas. But it is one of the by-products of the local government study, this educational process, and this interplay of ideas. I think for example, that in the Kitchener-Waterloo area, where there have been briefs, hearings, and now hearings about hearings—and I am not saying that there was a unanimity of opinions—but in that case, in the commissioner's, Dr. Fyfe's, and my view—and I rely on press reports, talks with members, and from people in the area—many things have been gotten out and on to the table. They recognize their problems. He is picking their minds and to some extent, they have been picking his mind. I do not know what kind of report he will write, and what he is going to recommend, but I would commend to any commissioners that we may appoint, that kind of involvement of the grass roots, which Dr. Fyfe has carried on.

However, no commissioner or study is imposing anything on anyone right now, because the commissioner reports, period. From then it is up to the government. They may adopt the report, or they may bury it, put it in limbo and do nothing about it—

Mr. Sargent: Since when has this changed?

Hon. Mr. McKeough: —or they may do nothing about it—

Mr. Sargent: When did you change your policy?

Hon. Mr. McKeough: In that determination of what happens to that report—and I

am being particular about Ottawa-Carleton—there was the closest possible involvement with the people from the time that we announced our intention to go ahead with Ottawa; the door was open to people from Ottawa-Carleton because we wanted their views and ideas. In fact, a committee was set up to work with us in the preparation of the legislation, and we tried as much as possible to involve the grass roots approach in this overall technique. I hope that answered some of the points that were raised.

Mr. Sargent: Mr. Chairman, in this question of commission enquiries and research, this is the most important department in government insofar as the people of Ontario are concerned. The life of every person in Ontario is affected by The Department of Municipal Affairs. Heretofore we have had a Minister in charge of this department who has been commended in this House for the job that he has done. But believe me—and I would say this to his face if he were here—at the municipal level, or the grass roots of Ontario, he had the policy that every time that you get a group of mayors, and reeves together, or the assessment groups together, he took it upon himself to flog them about the state of affairs in Ontario's municipalities. If there ever was needed in this province, a man who can do a selling job and work with the people, and work for them, he is needed now, in this department.

I, at this point, have never been impressed with this Minister who has taken over here. I think and I thought that he was a lightweight to start with. His staff is going around saying that he is now doing his homework and getting in but time will tell, and if he is, then I will be the first man to say so. I think that he has got an extremely big job to do. We have had in this province, these lackeys and consultants floating around for years in municipal deals as consultants. They are on the list, I guess, to be chosen to give a report on this and that; and the reports that they bring in are pretty well law by the time that they get down to the municipal level, so he must have a new policy over here.

Getting to the point, I would like to know: You have $3,000 in here for commissions. How much did you pay Hardy for the job at the Lakehead? And while he is thinking about that, Mr. Chairman, I would also like to know who sets the tab for a study or report of this nature? Do you call for tenders? You do not do this, and this is what I am concerned about. So, if you are on the list, then you are on the gravy train with the government, and we have had these people over the years who do your consultant work. Believe me, I have not been impressed by some of the people that you have on your list.

Mr. D. C. MacDonald (York South): They are not too impressed with you, either.

Mr. Sargent: Well, that is all right, this is only one man's opinion. I happen to have been in the position of running a municipality very successfully, and for 11 years. I knew what I was talking about, I assume, and I found a lot of people who do not know what they are talking about.

Mr. W. G. Pitman (Peterborough): What is new? Did you intend them to send a letter to all the urban geographers and ask how much they want to do a study of a municipality? How would you tender?

Interjections by hon. members.

Mr. Sargent: This is interesting. In any other area of business, you call for tenders—

Mr. Pitman: But these are human beings.

Mr. Sargent: —and qualifications. But it is the same old trick. It is the "in" group here who get these jobs.

Interjections by hon. members.

Mr. Sargent: Some of these fellows are no better qualified that I am, and that is not very good.

Interjections by hon. members.

An hon. member: Yes, but there are very few of them left.

Mr. Sargent: I will go along with the leader of the New Democratic Party, I am not very smart. But I have the right to ask questions for my people. For a long time this department has been in need of a good shaking up. I have had correspondence, and a dozen phone calls on one transfer of property in the last month. Now, I have 60,000 people—

Hon. Mr. McKeough: I think this will come under the planning vote.

Mr. Sargent: I do not care, it is under your department. You are the fellow who has got to face up to it. In a private business, you would go broke in one week; what are you doing in this business? I want to hear his answer.

Hon. Mr. McKeough: The total cost to May 31 for the Lakehead report, and this includes what was paid to Mr. Hardy, and the research people, for the publication of the report and the other expenses to May 31 and accumulative, not just for the one year—amount to $65,743.

Mr. Sargent: Mr. Hardy received $65,000—

Hon. Mr. McKeough: No, I did not say that. I just got through saying that I have not the breakdown of that figure—what was paid to Mr. Hardy, what was paid to the research people, what was paid for travelling expenses, other expenses related to this study, what was paid for the publication of the report, the data book and so on, total $65,743.

Mr. Sargent: What did Mr. Hardy get?

Hon. Mr. McKeough: I have not got that breakdown. I will be glad to get it for you but we do not have it here.

Mr. Chairman: The member for Yorkview.

Mr. Young: Mr. Chairman, I think those of us in this group have no objection at all to independent people taking a look at what is needed in regional government. This is what we advocate. We think that the best brains ought to be secured and that they ought to take a fresh look, as the Minister says, at these areas. I would like to ask him a couple of questions about this fresh look.

In the Waterloo county area, I am wondering what the terms of reference are there? How big an area is taken in? Is the outside perimeter circumscribed or is the term of reference that whatever is needful for making a proper region here should be looked at?

Hon. Mr. McKeough: Mr. Chairman, by the terms of reference by the order-in-council all of Waterloo county but there is nothing to prevent him from looking farther afield. I think he has invited briefs and, I think, received briefs from Guelph. I do not know how much further afield he has gone than that.

Mr. Young: Then these people are not circumscribed in any sense. In the term if they feel the boundaries ought to be pushed out, they are free to recommend?

The other question I had for the Minister is in connection with the reports that have been sort of lying dormant for some time. I say that, as far as we knew, nothing has happened. That may be an overstatement because we—or at least, it is accurate as far as we are concerned, but as far as the Minister is concerned it may not be.

The Niagara study and the Peel-Halton study have been sitting and I wonder if the Minister would comment as to the progress in connection with these two studies?

Hon. Mr. McKeough: Mr. Chairman, to answer the member frankly and honestly, I am now getting back to these other studies. We talked about grass roots involvement in these things. It becomes a tremendous involvement by the Minister and I think there must be, because the people who are being legislated feel that they should, at all times during this process, be in a position to talk to the Minister—to the staff, yes, but also to the Minister.

I think it is safe to say that for about three or four or five months the staff of the department and the Minister were turned upside down with the Ottawa-Carleton legislation. There were questions to be answered, there were people to be seen, studies to be made and legislation to be drafted and everything that goes with it.

That was our programme, if I can put it that way, for this session of the Legislature. We are now turning our attention, I am turning my attention—that is the beginning of the process to some of the other reports which have come in and some should report, presumably, by the end of the year. Muskoka should report this fall. Kitchener-Waterloo should report this fall. So we are thinking in terms of a legislative programme for another year along the lines of some of the reports that have come in.

If you want me to be more specific than that, I could perhaps say in Peel-Halton, because you mentioned that one, I think the design which was suggested in Peel-Halton was not acceptable generally to the local people. We have got to start there over again and think of something. In the absence of our doing any thinking, or any suggesting, they are doing a great deal out there themselves.

Peel, in particular, have had a number of meetings. They have quite a few ideas. I have not met with them, I have met with a couple of municipalities at the north end—not to try and give them answers, but just to hear their viewpoint. They may well come up with something on their own and I hope we can get involved in that process. I think probably on the basis of Peel alone and Halton alone—and hopefully, perhaps, something jointly at a later date.

I hope to get involved in that situation shortly, but I would say that the specific proposals made by Mr. Plunkett seem to be in limbo or farther out at this point.

Mr. Young: Well, Mr. Chairman, could I pursue this matter further?

As I see it, one of the big problems with delay is that delay is a sort of self-perpetuating business.

In the Niagara peninsula, the local people were involved in the regional study. They were sold on the idea that something was needed and the key people there were willing to sit down and talk and listen. Then, the report came in and, because of delays, you had changes in municipal government. Those local people then, not having been involved in the first part, seeing their own little empires again being disrupted, began to build up opposition.

This is inevitable if delay is too long in these studies. I would hope that the Minister will see that there is real importance in pushing forward and getting these things done, and done quickly, because this kind of delay can be self-defeating.

Another thing the Minister said is a bit disturbing. He said that this year—the Ottawa study had to have priority.

That is all right, but does this mean then that we are only going to look forward to one study per year coming into the realm of legislation? Does it mean that there will be more than this—that likely we can look forward to several of these studies being implemented and if necessary, the—

Mr. Sargent: Dozens of studies.

Mr. Young: Pardon?

Mr. Sargent: Dozens of studies.

Mr. Young: I do not know if you can complete dozens in one year, but certainly you can do more than one. Certainly, with the backlog there is now, it seems to me that the Minister ought to make dead certain that over this next 12 months more than one more regional government comes into existence in this province.

Hon. Mr. McKeough: I would agree. I think that we have learned a great deal from Ottawa-Carleton—learned how to manage our time.

As I said in my opening remarks, I hope that the pace would quicken to other points. Of course, I think we have to wait for some indication of government policy and the white paper arising out of Smith's particular recommendations. We are, of course, involved with that, as far as the government task forces are concerned.

The other problems, particularly, are those relating to the Peel-Halton study as to what is to come out of the new tariffs, goals, plans—

Mr. Young: Mr. Chairman, just in this connection, the Minister reminds me of a problem here. I noticed that in his speech of last February 27, he indicated that we are going to move forward. He mentioned the Smith report and the five-year item, and I quizzed him about this in the House. He said that after the May series of conferences he would decide to follow a general course suggested—I am sorry, that is not the quote:

> Reference is made to a target date for the preparation of a plan of action for regional government throughout Ontario. There could very well be certain areas of the province where new regional type governments could be established before that date—

Before the five years—and then, I asked:

> The Minister is not backing away from the possibility of establishing regions in five years?

> My point is—

Said the Minister:

> That if the government decides to go down the path of regional government—if, then I think the five year suggested timetable made by Smith could probably be attained.

In other words, he makes that a statement.

But then the rather startling thing to me was that, a little later on, in a speech made in Stratford on Sunday, July 7, word for word he repeats [you will have to slap the wrists of your script writers, Mr. Minister] that the five-year period is the target for the study.

Hon. Mr. McKeough: They were such jewels the first time.

Mr. Young: I see—so the Minister is not backing down on the statement he made in the House to me at that time. This is simply the script writer, not realizing what the Minister has said, and getting those paragraphs back into the speech.

Fine, I am delighted to know that the Minister then feels the sense of urgency, in that he is not—

Hon. Mr. McKeough: I am delighted to know that you are reading my speeches so carefully.

Mr. Young: Well, we like to—

Mr. Sargent: We know you do not write any.

Mr. Young: Then I think we have the assurance from the Minister that it is not just a case of studying for five years, it is a case of action, so that regional government can move within the five years.

The other thing that I would like the Minister to comment on at the same time is whether or not he really has a policy. He say "if", you see, in two cases and then emphasizes the "if". Does this government really feel that regional municipal government must come and is it committed to that phase of development?

Hon. Mr. McKeough: No, there is no government statement to that effect.

Mr. Young: Then we are talking in a vacuum here today?

Hon. Mr. McKeough: I think the white paper will say something about that.

Mr. Young: When might we expect it?

Hon. Mr. McKeough: In the fall.

Mr. Chairman: The member for Peterborough.

Mr. Pitman: Mr. Chairman, I wonder if I might just ask a question in regard to this estimate on the statement that the member for Yorkview has brought forward. It relates to this main office expenditure, I think, and this does deal with the whole question of regional government.

Last afternoon in the House, when the Provincial Treasurer's estimates were before the Legislature, I questioned him on the whole role of the Cabinet committee, and the advisory committee in relation to the provincial planning. He indicated that, by 1969, it is expected that there will be a provincial development policy, and this would include land use and many of the matters which the Minister himself mentioned in his remarks earlier—economic and physical planning, which he indicated would be a natural role for the development of Municipal Affairs, and of course, the problem of urban growth.

What bothers me, Mr. Minister, and Mr. Chairman, through you, is that this is being done within the purview of The Department of the Treasury, and largely in terms of what is best for the economy of the province. I was very heartened by the phraseology which the Minister used in his own speech this morning, in which he said that we were dealing essentially, and here I quote, "with the quality of the environment which we live in."

What I am afraid of, if the provincial development policy comes out in 1969, is that if the decision of the government is to carry on with some form of regional government —and certainly it is in this specific area, because we have already had this in this session, and we have all these studies which apparently, are moving toward a provincial policy in that area—is not the area of activity of the Minister going to be severely limited?

Are we not going to answer this question in economic terms? That is where Ontario can best place its industry and, in terms of transportation, markets and so on, and other methods which I think have a definite priority will be proscribed by decisions being made within The Department of the Provincial Treasurer.

That is a rather philosophical question, I know, but I would like the Minister's comment on this.

Hon. Mr. McKeough: Before I do, I have the figure that the member for Grey-Bruce asked for. Out of the $65,000, Mr. Hardy, over a three-year period, was paid approximately $20,683.

Mr. Sargent: On a point of information. A man works three years for $20,000? Boy, he must be a top-notch man.

Mr. Chairman: Is the Minister going to comment further?

Hon. Mr. McKeough: Let me say to the hon. member for Peterborough that I do not have the answer to his philosophical question. We are working very closely—and I think that we have to work more closely—with The Provincial Treasurer's Department, and formerly with The Department of Trade and Development and with the regional development people. It is interesting—and I think that the member for Yorkview commented on this—perhaps that the Provincial Treasurer and I had appeared to say two different things.

The Provincial Treasurer said yesterday that regional government was not necessarily tied in with regional development. Perhaps

I said something a little different today. I would agree with the Provincial Treasurer, but add three words at this time. My own personal view is that if the regional governments are large enough then there will be a much greater tie-in between the regional development and regional government.

It may be that those areas are contiguous, but they may not be. It may be thought desirable ultimately to have a number of municipalities who in turn form an economic region. The problems are common over that region. I do not know, but I do not think, certainly, that anyone is satisfied in terms of a programme of regional government with the present ten economic regions of the province. I do not think that anyone, if I may use that vernacular, bought those regions, although they might be ultimately regions of regional government.

Mr. Young: They were set up to fit the federal computer!

Hon. Mr. McKeough: Perhaps some place back in antiquity, they were originally done by DBS. They are useful for their purposes. I think that someday there will be a growing together of the two, because from my point of view regional government, or just government, planning and development are one and the same thing.

Mr. Sargent: Mr. Chairman, in this area of regional government—would the Minister advise in future regional government movements? Is it your policy to continue to have the province pay for the regional mayor's salary? If we are to have ten regional governments, wherein his salary is paid for by the province, then we have another form of bureaucracy, because that is controlled from Queen's Park here. What is your reason for paying the Ottawa-Carleton mayor's salary? Why should it not be charged against the taxes down there?

Hon. Mr. McKeough: You will realize that we are only paying for it during the initial stage. Just as was the case in Metropolitan Toronto, originally we undertook to pay the initial expenses for Ottawa-Carleton and shall continue to do so until the end of the year.

Mr. Chairman: Vote—

Mr. Sargent: Just take your time! I did not hear what you said there.

Hon. Mr. McKeough: We have undertaken to pay the initial expenses in Ottawa-Carleton till the end of this year.

Mr. Sargent: There is no reason why that should not be charged against the municipalities down there. I do not think I should have to pay for that out of my taxes! I am against paying for his salary out of taxes. The principle is wrong.

Mr. Chairman: Vote 1401? The member for Waterloo North.

Mr. E. R. Good (Waterloo North): Mr. Chairman, I would like to say a word regarding the area government review study in the county of Waterloo, under the direction of Dr. Fyfe. It was my privilege to sit and listen to a lot of recommendations given last spring, and under his chairmanship thousands of people have put in hours of work on the presentations.

They have been received from all the municipalities in the county and beyond, the planning boards and department and social councils and so on, and a tremendous mass of information has been gathered. Coupled with this, I think that the people of the area have a pretty good idea of what type of government and development—with the consultation of the planning body which now exists in the area—would best suit their needs for the future.

But with the developments which are coming along now, the large housing developments that have been released—first of all there was the Peel Village development in Preston, which was, sir, more or less backhandedly sponsored by this government, and announced by the government. In recent days they have introduced two other large schemes where 30,000 people are planned for an area in the county—people in the area are beginning to wonder whether the official right hand knows what the left hand is doing when it comes to regional planning in our area.

We were told originally that the Peel Village development was incongruous by all the local planning departments, and eventually, by the same old process, the resistance was broken down, and it is now accepted by the city of Preston—although not by the people of the area to which the development is going to be given.

We are told that OHC has been linked to a reported land scheme in the twin-city area which could get housing for approximately 30,000 people. Land purchase is said to have been made in Waterloo township and to the east of the Grand River. Government spokesmen have refused to confirm the government's connection with the scheme, but

reliable twin-city sources indicate that there is no doubt that the corporation is to be involved.

What I would like to know is when will the local planners—the people involved and the local leaders in the area, know what is going to happen to the area? They carry on their planning year after year and suddenly the government seems to move in and say, "Look this is what we are going to do in your area."

This makes the Fyfe commission report look nothing more than an exercise in futility. We heard what the Hardy report costs up in the Lakehead and I am sure that this one will cost equally as much.

There is another report here which says that Dr. Fyfe, commissioner of the Waterloo area local government study, said he had inklings of the development from the Ontario housing corporation some time ago. Now what about all the people who submitted briefs? They did not know that the government was planning a 30,000-resident area to one side of the city, and another one for the other side of the city.

An hon. member: Thirty thousand people.

Mr. Good: Thirty thousand people, I am sorry—this is is the sort of thing that people are wondering, back in the twin-city area; when is some consultation going to be had with the local planners and the local government?

This, in my estimation, is not a potential thing; the forms have been bought, I understand, the companies have moved in; the people are back on their land for five years. But we should have some type of control over speculation—I think developers have to assemble land in this area—but I think it is high time that we get the speculators out of the land business and let the developers look after it.

Could you just answer a few questions and let me know when the local planners and the local area planning board are going to find out what is going on here?

Hon. Mr. McKeough: You have asked a number of questions. I would point out to you that both the Peel Village proposal and the Kitchener annexation proposal are both before the Ontario municipal board.

Those are matters of public knowledge; they have been debated, dealt with, argued about, in the local area. Now, I am not aware that Ontario housing has bought property in the area.

Mr. Good: This is what I mean.

Hon. Mr. McKeough: Well, let me say this; you just got through saying that we should be taking the speculation out of building homes, and if Ontario housing felt—and I have no idea whether they have or not at this point bought property—I would think this is one of the—and apparently you say it is five years away before it is going to be used. Presumably, this would be one of the best ways to end speculation in that area if they have bought that amount of property, to put it into their land bank for the future. I cannot think of a better way to cut out speculation.

Mr. Good: How does this fit in with Dr. Fyfe's report?

Hon. Mr. McKeough: Well, let me say this: That Ontario housing corporation has been urged by municipalities in Waterloo county to do this sort of thing—I do not know whether they have or not—to take some of the speculation out of the development of land. Central mortgage and housing corporation, I understand, were either approached, or looked into that area themselves. We have the Peel Village proposal, we have the Kitchener annexation proposal—I am hopeful that we will have Dr. Fyfe's proposals as quickly as we can, his report and proposals.

During the time of the study there cannot be a vacuum; life goes on, developers, Ontario housing corporation and everybody else, maintain their interest and nothing is frozen during this study. But I would agree with the member completely that the sooner the study is completed—the hearings have now been completed, Dr. Fyfe, as I understand it, is writing his report—the sooner his report is written, his proposals are out, and presumably some of these things will fit into a pattern.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, there is only one item that I might contend with in that the Minister has just made a statement that really nothing is frozen during the time of such a report. Surely the fact is that although the matter, I trust, is now being to some extent redeemed, the annexation proposal by the city of Kitchener was, in fact, frozen as a decision made, presumably, by Dr. Fyfe in this matter. Meanwhile the other proposal with respect to Peel Village taking place in another

portion of the county and another riding, was basically approved, at least approved in principle as my colleague, the member for Waterloo North has said. It would appear to me that the Minister is completely correct in saying that nothing can be frozen in that development. The basic approach to the continuing growth of the province must continue and on occasion the reports which are called for may be out of date or may not have all the facts because they are simply not available to the commissioner. However, it seems to me, Mr. Chairman, that in the general operation of this department and in the instructions given or the information sought from the respective commissioners, there should be much more co-ordination between the facilities that the commissioner has and the information which he is seeking from the various municipalities.

Now, in the city of Kitchener, we have attempted to work with the commissioner and try to develop our point of view so far as the growth of Waterloo county is concerned. And as my colleague, the member for Waterloo North, is aware, the city of Waterloo and the township of Waterloo, areas which he represents, have also attempted to work towards the final and proper development of our portion of Ontario.

But to return to his comments, it does seem that the various studies and the various plans which are put forward by the individual municipalities, by their planning departments, by various organizations; all seem to be confused by the fact that there are other developments going on. For example, sir, the reeve of Waterloo township was not aware of many of these things and as well, indeed, the commissioner may not be aware of them.

And to suddenly try to develop a programme whereby in the middle of a study an announcement of a large development such as the Peel Village development is made without the knowledge of the commissioner, or without the knowledge of the reeve of the township abutting onto that land, seems to me to be somewhat of an extreme manner of secrecy. Surely we can trust the individual representatives in the municipalities to come up with a more sound approach if they know what is going on.

Hon. Mr. McKeough: Well, of course, the Peel Village announcement was made some months ago; it was made by a private developer. I do not know how you are going to stop that kind of an announcement going on. I do not know how you are going to stop Kitchener saying they want 10,000 acres of Waterloo township. How are you going to prevent those things?

Mr. Breithaupt: I agree, I do not think you are, but surely the announcement, in fact, was made in the development at least, in the presence of the Premier? Similarly the annexation sought by Kitchener for the development of this entire area was basically rejected and we find out later the rejection was made presumably through the view that Dr. Fyfe had that such an annexation would be upsetting to what the name of the eventual community would be, as though the name of the community has anything to do with the need for development in the area.

It seems to be a difficult matter for the Minister to resolve, and I do not for a moment think he can lightly deal with it. I think it is a serious matter and it is one which, no doubt, he faces every day in the overall development of other areas in the province. Surely the same situation pertains in the Ottawa-Carleton area. It no doubt pertains in the St. Catharines area and in various others where annexation is not moving as quickly as the demand for land is moving. Surely the Minister has this difficulty, and I would encourage him to attempt to resolve it so that once again the local officials have more basic knowledge.

Mr. Chairman: Vote 1401? The member for Kent has been trying to get the floor for some time.

Mr. J. P. Spence (Kent): Mr. Chairman, I know the hon. Minister is new in this portfolio, but listening to the comments this afternoon, I would like to ask the Minister, has his government announced that we are going to have regional government across the province of Ontario? Is that the decision of this department, Mr. Chairman?

Hon. Mr. McKeough: No, the member for Yorkview asked a similar question and I said "no". And I will say "no" again at this point.

Mr. E. W. Sopha (Sudbury): Recent experience, Mr. Chairman, teaches me to be very careful about what vote things fall in. May I ask where the finances are voted here for the local offices of this department?

Hon. Mr. McKeough: What kind of offices?

Mr. Sopha: The Minister's office. The office known as The Department of Municipal Affairs. I am going to speak about the offices in my constituency, if I can find the vote.

Hon. Mr. McKeough: For example, in the member's constituency we have a planning office and we have an assessment office which, appropriately, would come under those votes, 1402 or 1404.

Mr. Sopha: I am very grateful to the Minister.

Hon. Mr. McKeough: But if it is offices generally, perhaps it might.

Mr. Sopha: Well, I do not know what your offices do in Sudbury. I have had contact with most of the offices of the provincial government in Sudbury. I have not had the pleasure to come into contact with this Minister's offices and I wanted to enquire what they do. I have had the privilege—perhaps you will permit me to say modestly—that in all of the amalgamations and annexations that have taken place in recent years, I have had the privilege of being counsel for one or other municipality, and I have never encountered the Minister's people. May I enquire just precisely what they do and what services they offer?

Hon. Mr. McKeough: Well, in Sudbury in particular, there are three branches represented. The assessment branch is represented, and I think what they would do in that area would be obvious. The administration branch is represented and they deal mainly with the smaller municipalities which need our help and our services—the improvement districts, the unorganized territory. And finally, the community planning branch is located there.

Mr. Sopha: Then we get down to the meat of the situation. Which of the offices of your department was it that wanted to leave town?

Hon. Mr. McKeough: Well, that great problem was resolved and they all decided they were happy in Sudbury so which one it was really does not matter.

Mr. Sopha: Yes, a very strange impetus, I must say. Considering that in the environs of Sudbury some 150,000 people live—and with all respect to my friend from North Bay, he represents about 45,000 here—it was a strange impetus to me, indeed, to hear along the grapevine that your offices wanted to fly the coop and set up at North Bay.

One wonders what there is about our community that led to this stimulus for flght from it. And it makes one wonder—and I say aloud here—it makes one wonder, in view of the great desire to leave, just what interest they have in the development of the Sudbury region.

And I merely add the footnote to it—as I say, I do not know those individuals—it is very strange to me that, as I have been connected with every amalgamation and annexation, two to come up, one on July 25, one on August 7; the one on the 25th we are going to seek to amalgamate 6 townships on the east side, on August 7 we are going to seek to annex and amalgamate 4 townships on the west side, I find it rather incredible that being involved in important moves like that, the only people I have never encountered are The Department of Municipal Affairs. I have never seen them, heard from them, never seen any indication of any interest. They never furnished any information or assistance, guidance, asked any questions, expressed any interest in the new groupings that are taking place in the Sudbury basin. The only thing I ever hear about The Department of Municipal Affairs is they want to leave town, the whole bunch of them. They had the premises rented in North Bay from a good Tory, a whole floor of a building, and were all set at the end of the month to take off for North Bay until—and let the record declare—you know who caught them? The member for Nickel Belt (Mr. Demers), he caught them.

To his eternal praise, let it be said here that he caught them and he scotched the snake. He would be too modest to tell it here, but I am going to tell it for him. He caught them red-handed and as a result of his efforts—and I hear all this on the grapevine—he prevented the move. So I sympathize with my friend from Nipissing and whether they like us or not, we still have them.

So I hope the first thing that happens is that the Minister ascertain the ones who do not like us in our community, and he gets rid of them. He can send them to Sarnia, Sault Ste. Marie, Aklavik, James Bay or some place else, and get somebody there who will develop the same pride in our community as the ordinary residents have. Then this department will fulfill its total mission in the environs of the great Sudbury basin.

Mr. G. Ben (Humber): Mr. Chairman, I would like to ask the hon. Minister a number of questions. First of all, last year we passed the municipal and school tax credits for The Assistance to Elderly Persons Act, or an Act entitled that. Would the Minister please inform me how many grants—they are not grants actually, they are loans or credits—were made pursuant to that Act in the metropolitan area?

Hon. Mr. McKeough: Would the member wait until vote 1405, and we can deal with it then?

Mr. Ben: I looked at 1405, Mr. Chairman, there is a Municipal Tax Assistance Act and there are a few others, but it does not cover this particular one. That is why I brought it up under main office. Would the Minister go over it again?

Hon. Mr. McKeough: I am sorry, 1407, the last item. The last item under 1407, we can deal with it then.

Mr. Chairman: Does the member for Humber have other questions on vote 1401?

Mr. Ben: Yes. On February 21, 1968, Mr. Chairman, the Minister stated at that time that the following month there would be meetings with smaller municipalities, and that a modified code—that is, a building code—might result from those meetings. Would the Minister tell us what happened at those meetings and when we can anticipate having—

Hon. Mr. McKeough: That is 1402, planning.

Mr. Ben: That is planning, is it? Community planning. All right, if you say so, I do not see it under there either.

Mr. Chairman: The member for York South.

Mr. MacDonald: Mr. Chairman, there are three areas that I would like to raise under this vote. The first one—at the risk of a brief repetition—I would like to go back to these local government studies that the Minister was commenting on and, more particularly, the timetable for their implementation. Quite frankly, I have been a little disturbed by the government's approach, studies that seemed sometimes to drift out into limbo.

Now, I have a suspicion that part of this is because there is not an overall approach and master plan. The Minister's predecessor tended to argue that you could not have a master plan, you had to work at it piecemeal and deal with the crises and the pressures as they arise. This may be true in the beginning but I think we have reached the stage where the urgency of this problem is so widely recognized that a master plan, or the shaping of a master plan, is not out of place.

I was interested, for example, in the Minister's comment that we have learned a lot from the Ottawa-Carleton study—and if I interpreted him correctly—in the timetable for implementing it. Well, if I may go back and give my own judgment, which may or may not be right, in the instance of the Mayo study in the Niagara peninsula, it was my impression that while there was a bit of flack—as there will always be in any municipality with regard to a given set of recommendations—generally speaking, this got the approval of the area.

Brock University held seminars, they played a very constructive and useful role. You had a great discussion of it by the local people, and then nothing happens. In my view, this is the kind of thing that should not be permitted, if a situation is urgent and if you had a study and get a report. You do the study of the studies in the community, the educational process. Then, it seems to me, is the time to arrive at a consensus and to move, and not to permit what my colleague quite rightly said, is an interregnum which encourages the inevitable parochial vested interests, to dig their heels in and ultimately frustrate the implementation of the report.

Now, by way of a variation, I would agree —not knowing anything of the detail, I confess, of the Plunkett report and its implementation in Peel-Halton—but certainly anybody who has been reading the papers and watching what happened there would have to agree that there was no consensus, no possible consensus. If you have that kind of a situation, act rather quickly, go back and do a further study. If it was an urgent enough situation to begin with, to do a study, I suggest it is an urgent enough situation—perhaps even more urgent—to move in and do a second study if the first one proves to be so unacceptable that you cannot operate on it.

In short, the plea I would make to the Minister—particularly as a new man in the post who has manifested some willingness to take a fresh approach—that in this area, studies should be in the context of a master plan, and when the studies are completed, there should be a timetable for their implementation that will not be so swift that you deny the opportunity for education at the local level. I had an impression in the one at the Lakehead that there was a bit of a tendency there.

I know the Minister is going to say he is going to be "damned if he does and damned if he does not"—in fact I am engaging in that now—but at the Lakehead level it seemed to me that you were rushing so that they did not have an opportunity to study the Hardy report, particularly when the Hardy report

finally came out as being much broader in its context than many people thought, in the first instance, it was going to be. I think there was a very legitimate reason for a bit of a pause. But in other instances there should be a timetable of action, or going back to the drawing boards and doing the study all over again if it proves unacceptable.

However that it just by way of free advice to the Minister on this hot afternoon.

Hon. Mr. McKeough: Well, let me say with Hardy—and perhaps I have learned a little lesson there in terms of timetabling—you have to think ahead and if something is to happen at the Lakehead—without committing myself as to whether I think it should or should not at this point, because we have not expressed a view on the report other than a couple of small items in it—you have to think in terms of legislation, really, I suppose, now and some time in the next eight months. And it became pretty important that we got local reaction before the summer started, so that we could go on from there. Then, if it were thought desirable, we could draw up legislation in the fall for legislation next winter.

You put it off—in that particular instance a matter of a couple of months' delay would have put the whole thing off—or you could have put the whole thing off for a year, but your point is, I think, probably well taken. The other point which I think you have made is to strike while the iron is hot. In the case of Niagara, I am told—and I have now read through the comments on the Mayo report, there were three areas of major concern, I think. One was the administration of justice, and secondly education. Both those things have now disappeared. Thirdly, the costs, and particularly the costs related on the assessment base. Those three items not being resolved at that time, I think, perhaps made it difficult for the department to foresee.

During the interim it is my observation, however, that the interest has not lessened, in fact it has perhaps increased. There is perhaps some air of inevitability, I do not know. But generally, I would agree with you, and I might say particularly to that end I have said in the last six months on a number of occasions no more studies until we get some of these under our belt. We may well have to launch one or two more but I want to slow the process down in total so that we could get on and be in a position to strike while the iron was hot.

Mr. MacDonald: What about the master plan concept?

Hon. Mr. McKeough: The master plan concept? I would agree that this is going to be inevitable. We are going in about four different directions, or at least I would like to be going in about four different directions. I have not got the staff at this moment to go in those four directions at once, but we are working on that. We have the studies that are under way. We have some fires that we would like to light—if I can put it that way—where we think there should be some action generated. We have some fires which, quite frankly, might be better put out for the time being. And finally we cannot lose sight of what is going to happen if there is an indication from the government that in five years we should have that kind of a master plan. So that means going ahead in about four different directions at once, and I admit to you that at this point in time we do not have the staff to do it. I hope that we will.

Mr. Pitman: Mr. Chairman, I had two other points but at this point, can we tidy it up, and I will concede the floor to my colleague? I would like to follow up on the Minister's comments that we do not have the staff. I think this is so basic that I would like to interject on the remarks of the leader of my party.

I cannot help feeling that this is a paramount problem. I am not trying to flatter the Minister when I say that I think there are two departments in this government where the greatest expansion and the most exciting developments are going to take place. One is The Department of Education, the other is The Department of Municipal Affairs, and I would suggest to the Minister that he has not the staff, he has not got a particle of the staff he is going to need if he is going to be able to do the kind of things that he talked about this morning, because we are going towards an urban society. This is going to determine the kind of quality of life which takes place in this province. As the Minister was speaking I was just looking through the book at the expenditures on main office for the various departments and I think it is rather interesting. Now, I realize that the community planning branch is in a sense a part of his main office, but Municipal Affairs is expending $1.3 million; Lands and Forests, $3 million; Health, $7 million; Education—once again $1.3 million. But The Department of Education is so diverse and is established throughout the entire province to such an extent that main office does not really represent salaries in that particular department. Trade and Development—$3 million, nearly $4 million;

Transport—$1.5 million; Correctional Services —nearly $3 million. It seems to me that this is basic. I think—and I speak not so much to the Minister as to this entire government—that they should get on with it and recognize that The Department of Municipal Affairs is an important aspect for the rest of this century.

Now, I come to the point that my leader was talking about before. We have a number of these studies and I think a pattern is emerging from various studies. Sometimes, particularly in the Plunkett report, that pattern is not there at all and I think the Minister quite rightly this afternoon indicated that we are going to have to take another look and find a way of getting this area into this pattern. But it is going to be an immense amount of work in co-ordinating all of these studies, co-ordinating them into a master plan; it is going to take an immense number of people. I have had a good deal to do with the Minister's department, as he realizes, particularly with the community planning branch, and may I say that I know of no part of this government which is more co-operative, more effective, more efficient? But may I say that I would not work for the Minister if he were the last employer in this entire province?

Those men, I think, are not only over-worked—they are over-worked all weekend. The whole thing is ludricous that you be concerned, as you said, have four fires burning; they should all be burning and there should be many more that should be lit and they should all be co-ordinated into a single fire, if I can carry on the Minister's pattern of thought just a few moments ago. But I suggest to him that not only does he not have the staff, but I have the greatest reluctance in believing that the staff would become available if he wanted them tomorrow. It is very much like the Minister of Health who may very well like to set up schools for emotionally disturbed children or centres for emotionally disturbed children, but the staff is not there. And really what I would like to do at this point is ask what is the Minister doing to try to get that staff, to try to train them? What are our universities doing? I know that some of the people in my area have some colourful epithets for some people who come into their township and they all come from overseas—"we never see a Canadian."

Well, of course, as the member for Yorkview mentioned, if a city the size of Toronto has 200 or 300 planners in Great Britain, obviously they have planning programmes there in their universities, and I would hope that we would have them in the colleges of applied arts and technology in Ontario. And I hope that the Minister has a dynamic plan for providing staff because it is going to be needed, if he is going to carry any part of the kind of picture which he painted this morning.

Mr. Chairman: Vote 1401?

Mr. MacDonald: Mr. Chairman, if I may talk to the two remaining points. Again, the point to raise is of the same general nature but with regard to enquiries rather than local government study. The Minister indicated that the enquiry that was being conducted by a member of the judiciary down in the Windsor situation had got lost, and he is going to enquire to find out what happened last April. Quite frankly, I think this kind of enquiry into an urgent situation, that was sufficiently suspect and worrying, should not be permitted to become lost in this fashion. Sometimes the suggestion has come from the Opposition that there should be time limits when reports can be made. I recognize that this is often not a very practical kind of proposal because the judge may have other things to do and he may discover that the enquiry is a much more complexed one than he originally anticipated.

But there is a happy medium and I think we have gone way past the happy medium. In the same category, what has happened, for example, to the enquiry that the Prime Minister said he was going to establish into the controversial business of a certain member of the London city council who was forced to resign his seat and then had to resign his employment so that he could reclaim his seat? It strikes me that this is a serious infringement on civil rights of civil servants at the municipal level. It was going to be investigated—this is the way the Prime Minister got it out of the political pot, so to speak, in advance of the election. What has happened to that study?

Hon. Mr. McKeough: Dealing with the Windsor study first, I would agree; it has gone on for much too long. The local municipality pays the bills—I suppose we supplied the commissioner, but they pay the bills ultimately. Perhaps we lost interest at that point, I do not know, but it should not have dragged on this long.

With regards to the one in London, I think I answered this question in the House. If not, I have indicated to the federation of labour

and several other groups who have been in touch with me about it.

This was brought to my attention, I think, probably, in January or February, following the Prime Minister's announcement of—well, I suppose about a year ago now, 13 months ago now—that a committee would be put up or would be set up. I think it was, in fact, set up a couple of months later. At that point, the terms of reference, if you recall, were broadened somewhat to include university boards of governors.

The committee was set up and chaired by the general municipal counsel from our department, consisting of a representative from The Department of Education, a representative from the civil service commission, and one from The Department of the Attorney General. Mr. Yates has had one sickness after the other. He is better now. Along about Febraury, it came to my attention it was not progressing very quickly, because of the chairman's sickness.

I got in touch with the Attorney General and asked him—we felt the chairman should be a lawyer—if he would find a lawyer to chair the committee. He has in fact done so. I understand they are getting along very well, but I told the Prime Minister to begin with, and the federation of labour and others, that I was frankly embarrassed about the situation.

It was one of those things where illness intervened and the committee did not go ahead as it should have. I would hope we will come up with an answer before too long.

Mr. MacDonald: Well, Mr. Chairman, while in London let me raise, if I might, the Schoales affair.

Quite frankly, I am puzzled as to why, on some occasions, even when there is fairly widespread belief in the community that a situation has developed which is worthy of investigation, the government sees fit to take no action. Let me concede that, at the outset, the government's basic argument—and there is some strength in this—is that if the local people wanted to, they may have an investigation. All they needed to do is have the council so vote. But the council, for one reason or other, has decided—or the board of education rather—has decided not to.

However, it seems to me that sometimes circumstances develop in a community where the people who are involved – not immediately, but in a general sense, because it is within their jurisdiction—can erronously come to the conclusion that this should not be exposed to the light of day and that the function of the government is to examine the situation and to say, "Well, there is enough apprehension in the community, there are enough people asking questions that these rumours should be laid to rest."

If I may go back and draw an analogy, if you had waited on the mayor of Eastview and his council to have investigated Eastview, you would never have found out what was going on in Eastview. I would like to meet the man who would not agree that the situation would have been neglected. It obviously should have been cleaned up. It was an incredible Pandora's box of municipal ills.

There is a widespread feeling that this is being swept under the rug in London. The paper which normally is rather friendly to this government has been pretty forceful in contending that this should be investigated. Citizens and groups of citizens and petitions have beeen presented to the government and the government has just dug its heels in and said, "Nothing will be done."

My question to the Minister is: under what circumstances do you decide to investigate on some occasion and on what basis? Is it purely an objective assessment? Is it sometimes a political assessment that you are going to move in and look into a questionable situation in the local municipality?

When do you decide that you will sit it out, as apparently you are determined to do here?

Hon. Mr. McKeough: I have not made a decision for an enquiry, as yet, because there have only been, I guess two reports in my six months, London being one of them.

London was requested by the chairman of the board of education—

Mr. MacDonald: And by citizens through petition.

Hon. Mr. McKeough: By a petition, and I may say that—by a petition of some 200 names. Then, in addition to that, I had one other letter. I may say that the petitioner, Mr. Ross, I think subsequently wrote to the Prime Minister, and sent me a copy.

I do not know whether the Prime Minister has replied, so it could well be that the position of the government might well change. I do not think that is going to happen, but I think if he were here, he would say it is still under consideration, or perhaps he has answered the letter.

I think we would take an objective view —look at the facts.

In the particular case, I actually wrote the letter, but it was a joint decision—a recommendation made by officials of my department, of The Department of Education and of The Attorney General's Department. They looked at the situation. We talked about it and jointly agreed that an enquiry was not needed, not warranted. Now I think the next time perhaps only one department will be involved, but we would make the same sort of objective approach.

Mr. MacDonald: Why not? With the local paper editorializing and saying that this should be investigated; with a considerable number of groups and individuals in the community insisting that the thing cannot be swept under the rug, it seems to me that if the Minister is not going to have an enquiry he has got to explain why an enquiry is not needed. Just to say, "we have come to the conclusion there will be no enquiry," is going to feed the rumours, not allay them.

Hon. Mr. McKeough: I do not think I have anything to add to what I have said. I think probably the first criterion would have to be if it was requested by the local council or, in this case, by the local board of education. They have the power to do the same thing themselves.

Mr. MacDonald: But I made the case that, under certain circumstances the local authorities will not move.

Hon. Mr. McKeough: Right!

Mr. MacDonald: I leave it. If it is still under study we will hope for the best.

Hon. Mr. McKeough: No, I do not want to mislead you. When I talked to the Prime Minister I got the impression that the same sort of answer would go for him as had already gone for me.

Mr. MacDonald: If it does not surprise the Minister, I was not being too deceived. I have not got any flaming hopes that there is going to be action here, but I was just grasping at that little straw.

Let me have a final comment, if I might, Mr. Chairman, on a couple of elements with regard to research. I was rather interested in an advertisement in the *Globe and Mail* for a new staff member earlier this year—

> Municipal Programme Analyst: A new and interesting position has been established in The Department of Municipal Affairs, providing an excellent opportunity for a person with an aptitude for analysis and communications. Reporting to the director, municipal subsidies branch, the officer will be responsible for analyzing and evaluating a wide range of programmes relative to loans, shared costs or subsidies, developing theories and practices, preparing instructions to be used by municipal officials, undertaking studies and preparing reports pertaining to the programmes.

I wonder if the Minister would elaborate? What exactly is this? Is this a routine or periodic assessment of your programmes, or are you really breaking new ground?

Hon. Mr. McKeough: I do not think so. I am not familiar with that advertisement, to be honest with you. I will be glad to get some more information on it.

I do not think it is particularly breaking new ground. I think the purpose of it is as described.

Mr. MacDonald: Well, Mr. Chairman—

Hon. Mr. McKeough: I think your question is why this, perhaps, is not under the research vote, or at least, under the research branch.

Mr. MacDonald: I presume it is.

Hon. Mr. McKeough: No, actually it is reported through the municipal subsidies branch.

I do not know whether a person has been hired or not. I do not think it is quite as high faluting as it sounds, if I can put it that way.

Mr. MacDonald: It is only seven months ago since you put the ad in, so in the fullness of time you are going to act.

Hon. Mr. McKeough: I might comment on that and to the member of Peterborough; I think we were talking about the planning branch. We are practically up to complement now. We are not experiencing, in any of the branches, the difficulties we have had in the past—no, just all the reasons for this.

Mr. Pitman: What about the future?

Hon. Mr. McKeough: The future? Well there are a number of universities and colleges, as you know, getting into this. I have not got these figures here, but there are more planners being trained. We have not got quite the problems we did have.

Looking over the estimates, looking over the debates, the difference for the last two or three years, the differences between the

complement and the number actually on staff were pretty fantastic. I am told now, for example, in the community planning branch, which has a complement of 140, I think—136 authorized as of April 1—there are now only 11 vacancies, six of which are for planners, one draftsman and four stenographers. Not quite as serious as it was.

Mr. MacDonald: One final question and then I will sit down, Mr. Chairman.

In your research programmes, is the Minister in a position to give any indication to us as to his further reactions to the municipal foundation programme as a means of introducing greater equity into our tax structure?

Hon. Mr. McKeough: No, I think the extent of the research to date has been that—I said we were going to research it. We have gone a little bit further, but I cannot comment an awful lot.

I think I started off by saying our research branch have been spending too much time filling in some holes, instead of doing the kind of research which we would all like them to do. So they have not got on with that as much as they would like to.

The finance branch—this might not be done by the research branch, it would probably be done by the research people and the finance people. The finance people, at this point, are completely tied up with the task force on Smith. We are not—

Mr. MacDonald: Let me express the worry that if there are revisions of this general approach the Minister thinks can be made, it would seem to me that any focus of research work on it had better be done early, rather than late. This is something that should be looked at by the select committee which is going to report on the Smith report. We in the NDP obviously are persuaded that this kind of an aproach is the answer—any number of revisions that might be made—because it is very complex.

Therefore, any studying that the department is going to do might better be done now, so that it could be fitted into what might emerge from the select committee report, rather than doing it later, because I do not know to what extent the select committee is going to have either the resources, or the time, to do a serious research job on it.

Hon. Mr. McKeough: Mr. Chairman, the director of research tells me that both task forces—regional government and finance—are looking at the overall picture as well as this specfic recommendation. Whether they are specifically looking at the foundation plan, I do not know. I think you will realize that what you suggested was tremendously complicated in terms of the number of government programmes administered by, I suppose, 20 departments—moneys coming from so many different places.

I agree with you, it would be desirable to put some sort of foundation under those programmes and arrive at a minimum amount. It is going to be a tremendous job. It was much simpler for example, in Education, a piece of cake in Education, because you were dealing with grants from one department going to school boards. Now obviously you are not. You are dealing with a number of municipal subsidies—grants of one sort or another.

The other point is—and perhaps this is the chicken and the egg—I agree with the proposition that you put forth, in many ways. I cannot help but think that if there were fewer governments and there were 25 or 30 municipalities, instead of 967, how much simpler it would be to do. But chicken and egg, I think.

Mr. Young: Mr. Chairman, I think what the Minister says is right on the point that there are so many grants, that in many cases the local clerk or revenue official who is the treasurer, perhaps just does not know what is available.

I remember one instance where, in my own municipality, it was said that a certain person knew what grants were available. He was the most valuable man on the whole staff and he was the only one who knew.

This multiplicity of grants is something that I think the Minister has just got to face up to. Today many municipalities are not getting the full amount to which they are entitled because they do not know—they do not have trained staff and their staff cannot find out. I suppose the provincial department that otherwise might tell them is not too anxious to let them know because, after all is said and done, this is added expenditure. The budget can be cut by that amount.

It just makes common sense that all these grants should be brought together. As the Minister says, if we get the regional governments then, of course, the thing becomes much more simple. But surely, even with the multiplicity of municipalities that we have today, it just makes common sense to consolidate these grants and put in the foundation plans which we have suggested, because

this whole thing is such a hodgepodge today that nobody really knows where we are, including the Minister.

Mr. Sargent: Mr. Chairman, just briefly, this last shot on this first vote here.

The member for Peterborough, I think, brings up a very timely point, in that I have always felt that this is the most important department in government. It is our liaison with the municipalities across Ontario.

I recognize that the Minister has a very able Deputy Minister and he has very fine key people—people like John Pearson—down the line. But he has, in my mind, a very weak group of middle people. I have had dealings with them and I do not think that they are the type of personnel that should be dealing with municipalities. They do not have the background to meet the mayors of the different cities across the province. I think we should have top people in this department and you are going to have to pay them to get them.

I think that this is one area where you should go out and get people who can do the job. This is one area where I think we can spend money to get good people—go out in the area of business and hire these top people.

The Minister, Mr. Chairman, has previously shown his feeling that, when these bills come through the House, he is agreeable to saying "the Minister may", instead of "the Minister shall". This department has too much power and I am concerned about the fact that we are losing our autonomy at local levels.

Herein and hereafter I think that every bill that comes before this House shall have this provision, that "the Minister may", not "the Minister shall". I have a number of cases where I have had subdivision plans for my people and one small category man in your department can point the finger and cancel a big subdivision plan because of his power. Somewhere along the line, in our thinking, we have to have an awareness that the municipalities are running their own show and not Queen's Park.

How I can say this any plainer, I do not know, but there has to be an awareness on the part of the Minister, his department and officials that the show is run at local levels and all politics are local and not at Queen's Park.

We have had a case in Walkerton of a man who has a beautiful subdivision, approved by the town and by the planning area. It is completely ready to go, and one official in your department puts the kibosh on it.

I do not think that anyone in Queen's Park should have the right to come into the local level and say, "We are the boss". I think that there has to be a great awareness on the part of the Minister to instruct his people along this line.

We are all trying to do the same job and give the people what they want, but within bounds.

And while I am on the subject, I would like to say further—

Interjection by an hon. member.

Mr. Sargent: Well, it is a pretty wide field that they are talking about.

Mr. Chairman: I realize that it is community planning which you are steering into, and it is really in the next vote.

Mr. Sargent: All right, sir.

Mr. Chairman: The member for Peterborough.

Mr. Pitman: I would just like to make a comment about what I feel is a kind of irrational dichotomy which the member for Grey-Bruce has put forward.

We gather good people in The Department of Municipal Affairs and then we give them no power. This is somewhat pointless.

Mr. Sargent: I did not say that.

Mr. Pitman: I also cannot understand how the Liberal Party can suggest that they wish a provincial plan, and then not want to give any power to implement the plan. That is somewhat baffling.

But we shall go on. I think that once the larger units are created, then there will be some rationality in providing a greater degree of opportunity for thought and planning within the larger units. But I do not think that you can dissipate the power until you have created units which will be able to use that power effectively.

Before this vote passes, I would like to ask two questions. Firstly, I would like to comment on the Minister's remarks. I am aware of the fact that, as far as the complement is concerned, the department has been able to fill the slot, but I am concerned and perhaps the Minister could go into a little bit more detail on whether there is sufficient opportunity across the province, particularly in the colleges of applied arts and technology for what could be called the "lower" staff needs, particularly for the municipalities, who now have no planners at all. A great

deal of this, as the Minister well knows, in this province is run by municipalities who have no planners and planning assistants, and I am wondering to what extent the educational facilities we have at present can provide for not only the future needs of the department—which, I would suggest, sir, would multiply tremendously—but also for the municipalities.

Finally, I wonder if the Minister could go into any detail in this fifth vote—grants and expense—to encourage research and develop new techniques in all areas of municipal affairs? Just a very quick run-down of the kinds of research which the department is carrying on, and the new techniques which are perhaps being developed by the expenditure of some $60,000?

Hon. Mr. McKeough: The $60,500 is made up of some $28,500 in grants to the various municipal associations, planning, fellowships and scholarships, community planning associations, and so on. The remaining $32,000 really consist of grants to area planning boards. I think that the title is really a little high-flown on this estimate. It really consists of grants to municipal associations and grants to area planning boards.

Mr. Chairman: The member for Yorkview.

Mr. Young: Mr. Chairman, turning to another subject under this vote—and I think that it is the only place that it will come; it is in connection with municipal elections. Is this the place?

Hon. Mr. McKeough: No.

Mr. Chairman: The member for Hamilton East.

Mr. R. Gisborn (Hamilton East): Mr. Chairman, through you to the Minister, I would like to pursue a little further the case of Maurice Collins, the London municipal employee who was elected to the London city council in December, 1966. As the Minister knows, subsequently his opponent contested his election in court, and the judge upheld the case for disqualification. Now, I heard the Minister's answer to the hon. member for York South that a committee was set up to investigate this sort of thing, among others. What I am concerned with is: What was the necessity for a committee to be established to look into what was considered discrimination against municipal employees standing for civic office?

I say that because you will remember that we had a select committee on municipal affairs established in 1961, and they brought in an interim report in 1963, and subsequently their report in 1965. But in the interim report they stated very firmly and clearly the need to amend sections 35, 36 and 198(a) of The Municipal Act, to do away with this unfair discrimination in regards to persons who were thought to have, or did have, some conflict of interest in relation to their job and being a municipal official. I cannot understand why we have to wait for a committee's investigation to make a ruling on it in the face of the very clear enunciations of the select committee's report.

I just would like to quote from the report in part. The report recommended in 1963 that sections 35, 36 and 198(a) be completely rewritten, and combined to ensure that a person is not disqualified from holding public office because a conflict-of-interest situation arises. Then it goes on to say what should be provided in case one elected councillor does violate the rule, what could happen if he has a conflict of interest. They go on to say:

> At present, there are certain people who may be disqualified from sitting on council because of their position as a director, manager, treasurer, secretary treasurer or agent. These persons, along with their fellow citizens, should not be discouraged from seeking public office.

It goes on:

> Sections 35, 36 and 198(a) should be completely rewritten so as to emphasize disclosure, not disqualification. The restriction prohibiting a member of council from having a pecuniary interest in contract or proposed contract with a council should be lifted provided that disclosure is made of his interest and he abstains from any discussion relating thereto, and the voting thereon.

Now, there has been a lot of discussion in regards to conflict of interest in public office, and it seems to me that through the report of the select committee and other learned enunciations that the question has almost been settled. I, for the life of me, cannot understand why we have to wait for a committee to make an investigation and bring back a report when there is one that has been established for a long time.

The Minister gave logical reasons for the delay in carrying out the work of the com-

mittee—sickness and other reasons that one has to agree are reasonable—but in this particular instance, where it is the opinion of learned people that the fact that a person works for a municipality as an officer of a union, that he for that reason is disqualified from exercising his rights under our democratic process to be an elected official, why could the Minister not have recognized the position of the select committee and just take action under The Municipal Act and change it to remove this iniquitous section?

Hon. Mr. McKeough: I can only assume—and I was not the Minister at the time—that it was the opinion of the government that they were not ready to accept fully the recommendation of the select committee and they wanted to have further study. I would agree with that conclusion, and until such time as changes are made, they would be part of the legislative programme.

Mr. Deacon: Mr. Chairman, I just would like to add a few last words on this. I am still not sure that I have got this idea of mine across to the Minister on this matter of how I feel that we should be dealing with these local regional studies. I feel that the Minister should set out now a master plan which points out centres around which these regions should be developed. There might be 40 or 50, but I think that this is the number one job as I said before. We cannot be going at it piecemeal without having some concept of the centres around which we are going to develop our regions. In some places such as the Metro Toronto area, we have to have several centres being developed if we are going to keep it within bounds so far as size is concerned.

Then we should have a chairman appointed by the Minister from his department, or hired by his department, who is qualified to organize and share with local people in the development of a plan. I cannot go along with the continued statement of the Minister that he himself has not time to deal with these matters. If he would set out the broad areas and the broad concepts, then he could leave the plans in the hands of the local groups to develop.

When the Americans have been giving foreign aid and deciding in Washington what the aid should be, they have been getting singularly poor results for their money. And we in this province, when we decide what is good for the municipalities by studies that we implement here, are going to get the same kind of result. I suggest that the Minister will get his plans drafted in a form that can be presented in bills very quickly under a scheme that is put together with the co-ordination of the department and the local official representatives, and perhaps even lay representatives he appoints in the regions. We are continually having these plans and studies done, study upon study, and study of studies, and it takes forever to get them into legislation.

We could have a lot of these programmes going on simultaneously if the Minister would not do it on this piecemeal basis. He waits for fires to be going before he moves to put them out. For example, in the area of York county, he said, "I have not heard from certain municipalities yet and I am not going to pull them in to meet with them until they have written me saying they want to meet with me." I do not think that he should be waiting for fires to develop before he tries to handle them. I think he should be stepping into the situation and providing leadership and the means whereby these municipalities can work together to solve their problems. I do not go along with some of the speakers who said that we need to have hundreds of planners and spend much more money. It is not necessary to spend a lot more money. It is the way we spend the money that counts; it is the way we involve people that counts; then we will get our achievement.

Glasgow has been planned to death. It is stagnant. In Stockholm it takes five years to get an apartment. These are places that sound wonderful. We have a pretty good system here but we could improve upon it if we would involve our local people more.

Vote 1401 agreed to.

On vote 1402:

Mr. E. W. Martel (Sudbury East): I would like to find out from the Minister where I would bring in a couple of questions on a question I asked him, to which he gave me an answer on May 28, involving company-owned towns—under which vote would that come?

Hon. Mr. McKeough: On vote 1404.

Mr. Chairman: On vote 1402—the member for Wentworth.

Mr. Deans: Mr. Chairman, I want to discuss a matter that I discussed previously with the Minister and the Deputy, but before I do I would also like to say how much I

appreciate the efforts that they put out in trying to help us this way, to seek to come up with the answers to some of the problems of the constituents. In this regard there have been times since I have come into this House that I have felt that the Minister has too much power—not this particular Minister, but Ministers in general have too much power. In this particular case I feel that it would be better if he had a little more power.

What happened here was that a gentleman applied for relief from a building bylaw in the township of Saltfleet and there was a committee of adjustment hearing. There was representation made by a group of interested citizens to this committee of adjustment, and the committee informed the spokesman for the citizens that they would be informed of the outcome of the hearing, they would get word of the decision. They never did get word. The committee of adjustment neglected to inform them because actually they did not have to by law. The law is very clear. It says that any person who wishes to be informed of the outcome of the hearing must put in a written request. What happened was that these people were denied their opportunity to appear; they were not familiar with the law as many people are not, and the time for appeal came and went and they were unable to appeal the decision of the committee of adjustment and they are now stuck with a situation which appears to be wrong.

Now, had the Minister had more power, I think that he would agree with me he would have acted and the matter would have been heard again at the very worst, and the people would have been given the opportunity to appeal to the Ontario municipal board had the committee of adjustment's decision come down as it did in the first place. What I was going to suggest ought to happen—and I think the Minister would agree with this too—is that it should become necessary for the committees of adjustment to send a copy of the decision that they arrive at, to every person who makes representation in opposition or in favour of any particular matter that comes before them.

It should not be necessary for a citizen to go through the formality of writing on a piece of paper the fact that he wants to receive the decision. The fact that he is there making representation—many times written representation—should be sufficient to ensure that the answer is relayed to him and the opportunity to appeal the decision if he so desires is afforded.

I would ask the Minister if there would be any possibility of change such as this in the offing. Does he say that perhaps section 10 of The Planning Act will be changed to bring about this desired end result—that every person making representation before a committee of adjustment will receive the written result of the hearing?

Hon. Mr. McKeough: Mr. Chairman, I think we undoubtedly have to take a look at the Act. I do not know whether the solution may be just the way you described it, but I think we must insist—at some of these committee of adjustment hearings there could be 50 or 100 people. Nobody really has any knowledge as to who they are, but I think it should be said—whether you put this in legislation or just how you do it; the chairman obviously at the end of the meeting, or when they are concluded with a matter, and if they are going to reserve their decision, which is their right to do, should definitely announce at that point, "We are reserving our decision. If you want a copy of the decision will you speak to the secretary right now, and give him your name and address?"

Now, he obviously did not do this in this case.

Mr. Deans: What he did was say quite clearly that you shall be informed.

Hon. Mr. McKeough: "You will be informed"?

Mr. Deans: "You will be informed." And when he said this, of course, the people assumed they would be informed and, as everyone knows, it is difficult to tell how long this kind of process is going to take. It may take a few days, it may take a few weeks. And so the people did not know, there was no way for them to find out. They could not phone every day and ask the committee of adjustment if they were ready yet with the decision. And so they have missed the opportunity to appear.

Hon. Mr. McKeough: Which is wrong, I quite agree.

Mr. Deans: Very, very wrong, and there ought to be some way that this could be rectified, I believe. I would hope that there might be, even in this case, although the Minister has suggested to me that legally they have no recourse. But it seems to me that the committee of adjustment chairman relieved these people of this obligation by stating quite clearly that he was going to tell

them, or inform them, of the result of the hearing.

You say that perhaps there would be 50 or so people there, but what I would suggest is that any people who present the petition in opposition to something they have, by presenting this petition, placed in writing their opposition together with their names, names of the spokesman—they have to sign a petition—and by doing this I would think that if someone presented a petition to me I would expect that I would have to let them know the outcome of it.

I would think even in that case that regardless of whether it states clearly that I want to hear the result, the fact that I presented a written petition ought to be sufficient. And even a broad interpretation of it—and what I am afraid is going to happen here is they are going to be stuck with the decision of the committee of adjustment without being given what would perhaps be natural justice. And I think that some changes should be made.

Mr. Chairman: Vote 1402. The member for Humber.

Mr. Ben: Mr. Chairman, when we were discussing vote 1401, I got on the subject of uniform building codes. And I pointed out to the hon. Minister that on February 21 last the hon. Minister made a statement in this House that within the next month he would be meeting with members of the smaller communities or municipalities with a view to bringing in a code which is less stringent than the national building code which the Minister had been recommending to municipalities. Now, one, is the province going to come out with a uniform building code for the province of Ontario? If not, is it going to come out with two forms, one for the larger municipalities, where they can have more stringent criteria, and one for the smaller municipalities where such a stringent code is not required?

Hon. Mr. McKeough: I think probably, while the member was away, following whatever I said on February 21, I believe in May, I made an announcement to the House that we were setting up a committee of people in this field to have a look at it. Specifically, in the process of asking people from the urban development institute, the association of professional engineers, the association of architects, Ontario building officials association, and the city engineers association, the Canadian manufacturers' association, and the association of clerks and treasurers, to each give us the names or put together a committee. To your specific question "Is Ontario going to have a building code of its own?" No, I would think not.

Mr. Ben: I am going to recommend that the national building code be adopted then. I speak of Ontario because we are concerned with only Ontario.

Hon. Mr. McKeough: Well, I do not want to prejudge what the committee is going to do but I would hope that they could find a way to achieve perhaps more uniformity in the local bylaws than there is now.

Mr. Chairman: The member for Grey South was on his feet before.

Mr. Winkler: Mr. Chairman, it was suggested that I raise this matter—

Mr. Chairman: As the member for Grey South has been on his feet before, I will call the member for Essex South next.

Mr. Winkler: Mr. Chairman, I suggested, as you recall under item No. 1, that I would postpone my remarks until 1402. And I would be very remiss in my responsibility to my constituency, and indeed to the entire county of Grey, to the citizens there, if I did not raise my voice in objection to the implementation of present policy within the department in that county. It may be, although I have not studied the matter statistically, that we are not as advanced in regard to overall planning in the entire county. Certainly I agree that we are not, by comparison to counties in the southern portion of the province, but the policy of making the entire county come into planning before the approval of subdivisions, currently under consideration, is given, I think is a very bad one.

We know very well that our county is no exception, that the populations are actually decreasing. Looking at figures not very many days ago, I regret very much to inform the members of the chamber, that the population in the county of Grey had again decreased in all execpt one municipality. And I believe that a part of this is responsibility in regard to planning. It may be, as some other member said, that the opportunity that exists in the larger urban centres—I think it was a member in the party over there, who said this is in actual fact taking place—we do not deny that, because the opportunity is there. But I suggest, Mr. Chairman to the Minister,

through you, that we are aware of the land-use studies that have been made. We are aware of the land use in that particular county, a programme that will be put into effect, and I am sure that the officials of the department are aware of it now Therefore, I feel that the philosophy being practised in the county is a very discriminatory one against the people who have not, through their own desire, come into an overall planning situation. Some of the municipalities, as the Minister well knows, have come under the subdivision bylaw control programme, and some of them have not.

And because of the desire of the department to force Grey county into a planning situation, the people who are not now under subdivision bylaw control, have a tremendous advantage over the people who do find themselves in that situation. There is no committee of adjustment, therefore there is nobody to appeal to other than the departmental officials. And in each and every case they have said "no". When we consider the development of a large recreational area, and there are subdivisions of 100 to 150 properties, and the departmental officials say when the planning is complete—when they have met an spent thousands and thousands of dollars, and they have met the requirements of The Department of Health, they have met the requirements of the Ontario water resources commission, they have met the requirements so far as the roads committees are concerned—then the departmental officials say they will give them permission to sell five or six or seven properties, which is not enough to pay for the financing of such a scheme. Consequently development then, in my humble opinion, is being thwarted.

These areas can be used for nothing else but this purpose, Mr. Chairman, and therefore I suggest that unless the planning or the thinking of the department and its officials are to project their view, I am grateful for the study that is taking place at the present moment but it has taken too long to bring this about, and in the end the result of that study will take another year or two to implement and the people who have this huge investment—and they are humble people, they are not wealthy people, they are not city slickers, they are there developing themselves and for the purposes of the community.

Mr. Sargent: The Liberal Party—

Mr. Winkler: Yes, we have seen what they have done before, too. Mr. Chairman, I believe that the thinking of the department will have to change where presently the land being developed, as I have related to it or referred to it, is for the purpose and for the future land-use purpose that the departmental officials know will be implemented, that they be approved now, that they not have to wait until the entire county—and I say this justifiably—comes into an overall scheme, with which I agree; that these people be given a broader base to work from and more consideration in accordance with the present needs of the area and with the entire county.

Mr. Chairman: The member for Kent.

Mr. Spence: Mr. Chairman, I would be remiss, too, if I did not say a few words in regards to this vote. We do know that a new Minister has taken over this portfolio. And over the number of years that I have been a member in this honourable assembly, we have heard a lot about planning and development, and regional development councils. And I must say the same as the hon. member for Grey South has said, that I represent a riding with towns and villages; and in those towns and villages the population is not stationary, it is going down. Everything, these councils and chambers of commerce, over the last number of years, have done everything they could think of to encourage some industry, some development to take place in these areas. But nothing has taken place.

And we listen in this Legislature to the tremendous development that is taking place here in the great metropolitan area, and we have no quarrel with that. But, Mr. Chairman, we in the rural area must develop too; there must be a change in planning; there must be a different approach taken to it; it just cannot be one metropolitan area; we in the rural areas have to have development also. Now, I must say we have listened to the members who represent ridings in the far north and they are in the same condition as we are. I must say to the newly appointed Minister of Municipal Affairs that I do hope his approach for planning has something in regards to development of our towns and villages that are standing still. If not, Mr. Chairman, they are going to disappear. And something has to be done before this goes too far. Too much study, too much planning, and not enough action, Mr. Chairman.

Mr. Sargent: Hear, hear!

Mr. Chairman: Vote 1402, the Minister.

Hon. Mr. McKeough: I woud like to comment just briefly. I suppose my good friends from Grey South and Kent, Mr. Chairman, have perhaps brought home to us a little bit the other side of the coin because I have to say to my friends opposite, and I say to myself, that not everyone in this province obviously is as convinced of the necessity of what we feel we must do as perhaps they are or I am. I think the member for Grey South and the member for Kent very legitimately have placed before this House the views of a great number of people in this province of Ontario this afternoon. And some place in between we try to find a happy balance.

Now, in particular as far as the county of Grey is concerned—my friend talked about Grey county—we are not in effect trying to do anything in Grey county as a whole, and this may be one of the problems. We have been dealing with the individual municipalities. Perhaps we should be looking at the county as a whole because, as the member has pointed out, some of the municipalities may have gained an advantage. I would say it was a queer sort of an advantage that they have because we have not looked at the total county.

All we are asking these townships to do—not only in Grey and not only in Kent, but right across the province—all we have asked townships to do—in my own county of Kent—is to sit down and determine where they are going. We heard something about Pickering this afternoon. I suppose that is what Ministers of Municipal Affairs should wake up in the middle of the night thinking about. You can think of a few other situations. Pickering is a recent one, but you think of the places where it has become necessary to spend many, many dollars—Burlington Beach, Van Wagner's Beach—of the taxpayers' money to correct situations. And those are two unrelated fields—one financial, the other perhaps planning, lack of planning—where the taxpayers' money has had to be spent in large gobs to try and rectify the mistakes in planning of the past or the lack of planning in the past. Hopefully, we plan well enough today that 50 years from now the kind of money which has been spent or needs to be spent in those situations will not be necessary to be spent. That is probably a pious hope but I think we try and take that attitude. Who would have thought ten years ago that Pickering was going to have the serious problems that it does, because people were building nice subdivisions, good planning? I am sure The Department of Health okayed it, I am sure other departments okayed it, and we ultimately, I suppose okayed these things. And we arrive at the situation that we are in now, which is not something that cannot be worked out, it is not a horrible situation.

But who would have thought ten years ago, five years ago, that there was going to be this boom in Grey and Bruce, in vacation property? This is something that is very unique. Who would have thought ten years ago we were going to have the 10-acre problem that we have in Wellington and Dufferin? These things change, they change very rapidly. Who would have thought that Haldimand and Norfolk—and the leader of the Opposition raised these points yesterday—would have been one of the areas which needs planning and—I am glad he referred to that—they are planning, they are coming along very well and very quickly and we are very delighted with what they are doing. But a year ago no one would have thought that was necessary.

And this is probably part of the problem in the municipalities in Grey, that all of a sudden, very quickly, it becomes necessary that they do plan, that they do sit down and ask themselves the very simple question, "What do we want our municipality to become? Where are we going?" They do this through the vehicle of the official plan, and they come up with an official plan which suits their purposes, we comment on it, circulate it to the departments, see if it fits in with some sort of provincial policy and then hopefully say, "Go to it." That is what those townships are in the process of doing. I do not think they are as wildly enthusiastic about it, if I can put it that way, as some of us in this House on both sides can get carried away about the necessity of planning. It is interesting; we are still a very big diversified province and this has been an interesting commentary on it.

Mr. Chairman: The member for Timiskaming had been up previously.

Mr. D. Jackson (Timiskaming): Mr. Chairman, what I have to say might not come completely within this vote because it concerns three different towns. However, I believe this is the proper vote to raise it under.

I am talking about the situation at Timagami and Goward and Latchford. At the moment they have started to move the townsite of Timagami to the new townsite of Goward.

Hon. Mr. McKeough: This would really come under the townsite vote which I think is 1405, but I would suggest to the Chairman that we might consider item 3 of vote 1405 now, and also item 1 of vote 1407, which concern townsites, both capital and ordinary, and grants under The Planning Act, and perhaps we could deal with all those things under this one vote.

Mr. Chairman: In other words, under vote 1402, community planning, we could deal with items 3 and 8 of vote 1405 and item 1 of vote 1407. The members concur this will be in order at this time?

Mr. Jackson: Thank you, Mr. Chairman. Because one of the main ore bodies from Sherman mine lies underneath one of the corners of Timagami, it has made it necessary to move the townsite to another location. It is being done by creating a new townsite at Goward, which is a few miles north of Timagami. I do not really see anything wrong with moving Timagami because I believe it has to be done; however the creation of a new townsite in the area it is being created in, in my opinion is going to create many problems in the future.

One of the problems we have run into through the north is that a mining company will create a townsite, then when that mining company moves out, it leaves a town without any visible means of support, without any financial support and we might as well say we have a ghost town. However, just north of there we have the town of Latchford, which is a thriving town. Although it has no industry, it somehow maintains its status quo, and this extra building would be a boon to the town of Latchford. At the moment the town of Latchford is on the verge of spending quite a bit of money to put in sewage and water distribution systems and it is being duplicated at Goward. Now, if it is necessary to move the townsite of Timagami, in my opinion and in the opinion of many people in the north, it would be better to move it a little farther north to the town of Latchford.

Something else that bothers me about moving the town of Timagami is that even though they are moving the townsite, and moving the people who live there into Goward—and some of them are moving completely out of the area because they are not working at Sherman mine—they are also allowing certain businesses to build up in Timagami. Right along the highway there has been a new motel, at the moment there is construction going on on a new garage and service station. Now, if it is necessary to move the townsite, I would like the Minister to comment on how he can justify allowing them to put in this new motel and the other buildings that are being built at this time?

Hon. Mr. McKeough: Where is the motel being built?

Mr. Jackson: Right in the middle of Timagami, just I would say, to the east of where the townsite has to be moved, the part of the townsite that has to be moved.

Hon. Mr. McKeough: I am sorry, I cannot answer that. I would have to look into it. I am not familiar with this situation, I hope to go up to Timagami next month, and some of the other townsites. Without knowing the particulars, I would somewhat agree with the philosophy that the member has expressed, that we should do all we could not to create new townsites.

One of the mines was in to see us two or three months ago and was exploring ways of improving a highway with the hope that a town site will not be necessary, rather an existing town with improved accommodation. In the case of Timagami, I am told that it was largely a matter of where services could be provided, very expensive services, but I think that was the controlling factor. Generally though, I would agree with the philosophy the member has expressed. If there are existing towns and if they are satisfactory, let us try and use them, rather than create new town sites. As far as the motel is concerned, if the member will give us the particulars, we will see why it came into being.

Mr. Jackson: I would like to point out to the Minister on this same line, Mr. Chairman, that when the Adams mine came into existence, they refused to allow the Adams mine to build a townsite or to build up in the area. They said there were towns in the area and if there was any building to be done, it would be done in the existing towns. They also, through Lands and Forests zoned the area so that no building could take place without the permission of Lands and Forests, and it has prevented a shack town existence that has happened throughout the mining communities.

But as I say, something that really bothers me about Goward is the fact that, as the Minister says, the reason they picked this site was because of sandy soil that they could put sewers in and water facilities and save a little bit of money. But they are going to do this anyway at Latchford. At this moment, Latchford is negotiating with the Ontario water

resources commission to put in a sewage and water supply system. Now we are duplicating that service within a very few miles. I would like the Minister to look into this when he is up there. Although they have built on sandy soil—they have built the houses on sandy soil—now the services are going through rock. The basic reason they moved in there was that the services could be put into the sand a lot easier and a lot cheaper than they could be put into the rock, and they have just reversed this procedure.

Mr. Chairman: Does the Minister have any comments to make about this matter?

Hon. Mr. McKeough: No, I do not know enough about it to comment any further.

Mr. Chairman: Vote 1402. I must say the member for Grey-Bruce had been trying to get the floor a short while ago. Does the member for Grey-Bruce wish the floor?

Mr. Sargent: Mr. Chairman, just a point on the subject of planning in these outlying parts of the province. At what point—the key—the key or the motivation behind any development, Mr. Chairman, is decentralization of industry. You control the subdivision plans for housing and you have great controls there, through your department, but I do not think in our economy we can tell industry where they are going to locate.

What liaison do you have in this department for the locating of industry in Ontario? I mean, that is the key for development of these outlying parts—decentralization of industry. What liaison do you have with the Minister of Trade and Development in the alleged placement of industry?

I put that in quotes if there is any, I do not know. But do you have any liaison?

Hon. Mr. McKeough: Yes, but our function is not to place industry.

Mr. Sargent: I do not suggest it is. I say is there not merit in thinking along those lines? How can you do an intelligent upgrading of the outlying parts of the province if you do not have any motivation to build these places? Are you—

Hon. Mr. McKeough: No such measures are being considered at this time.

Mr. Sargent: That is a good word, "catalyst", but do you have an intelligent thoughts at all on that?

Mr. Chairman: The Minister said he had.

Mr. Sargent: Pardon?

Hon. Mr. McKeough: No.

Mr. Sargent: You are only proving what I said, then.

Mr. Pitman: Mr. Chairman, I wonder if I could make one or two comments on this particular vote?

It would appear to me that we are in a kind of an interregnum at the moment. We still have the 900-plus small municipalities, that is, beside the larger cities, and the Minister has said what we wish the townships to do is to show where they are going. But it seems to me that what the townships keep asking is, "Where are you going?" We keep asking each other where are you going and no one seems to go anywhere.

Perhaps that is too harsh a statement, but I think the speed of our going anywhere is greatly undermined by this fact.

One of the reasons that the townships find it very hard to say where they are going is that they do not have the personnel to give them the kind of direction that they want. There is a kind of a realization that this is a very difficult and very complex and complicated area. This whole business of municipal planning is becoming far more sophisticated than it was 50 years ago and, along with the realization that their resources have been undermined, they do not have the ability to carry out the functions and the more sophisticated services they are expected to provide. They also realize that they have not got the expertise either.

This is why, some time ago, I suggested to the Minister that there might be some value in making grants to municipalities to secure the personnel to provide the official plans.

I would like to go a bit farther than that at this point, because I think that the last thing we want to do is to encourage that they make official plans on the township basis. Invariably—and I do not want to go into specific matters, which the Minister already knows—but invariably, the plans of a single township will spill over to other townships. I am not even sure that even a county official plan has a viability at the moment, but that at least, would have a greater viability to the township than the township size.

What I am suggesting is, possibly, this—we either hold out the banana or we use the stick, and I suggest that, in a sense, the

Minister has got the stick. He has already got the legislation this session which provides him with a stick but I think he is reluctant to use it.

We are still in this, as I say, interregnum. We do not want to undermine the confidence of the township, their confidence in themselves and in the municipal departments. To be honest, I think that the worst we would wish to see is that if we moved toward regional government by undermining the viability of the local governments, then we have done, I think, a great disservice to the democracy in this province. So I would suggest that, possibly, in this particular case, the banana is the far more effective way of bringing along these townships and these counties into providing the official plan.

May I add another bit of gratuitous advice on this matter? The whole question of guidelines of The Department of Municipal Affairs. I was rather surprised—rather shocked—to discover that there was a guide and there was a policy in The Department of Municipal Affairs in relation to, for example, urban development—rural areas, I should say. I asked members of this department who have been very helpful, "Well, where does this come from?"

It came from a speech made by his predecessor, a couple of years ago. I was handed the speech and I carried it out in my hot little hand and read it and of course, it read very well. This seems to be a strange way of providing guidelines, particularly in view of the fact that many municipal councils do not carry around with them speeches from previous Ministers of Municipal Affairs.

It would seem to me that if these guidelines were present, it would stop so many of the false battles that take place, where municipal councils give approval and give encouragement to local people to develop a certain area. They go to the cost and expense of carrying out the survey and getting the plan, and so on, and they come down to discover that it is against all the rules of The Department of Municipal Affairs.

It seems to me that these false battles undermine confidence of local officials in their relationship with The Department of Municipal Affairs. So I think too, this is an unfortunate time in the province's history to have this kind of battle going on, because, as the Minister knows—I do not want to bring up a local situation—but you have a housing crisis in a city.

It appears that the way to relieve this housing crisis is to simply move out into the suburban areas. You have people in suburban areas who are quite willing to sell land and to develop their land in the hope of providing housing. At the same time, you have the Veterans' Land Act sort of closing off and people scrambling about trying to get the land which will comply under The Department of Veterans Affairs legislation.

You have all this going on and I am afraid The Department of Municipal Affairs becomes the *bete noire* of the whole business. You know, if there is somebody to blame it is The Department of Municipal Affairs—and I think quite wrongly, in many cases.

There will be no wild enthusiasm for my suggestion—and it is not entirely the fault of The Municipal Affairs Department—back where I come from. It is nice to believe that it is, but my honest feeling is that if we had, I suggest to the Minister, grants during this interregnum period, before we get to wherever we are going at the provincial level—grants which would encourage a large use of planning. And as well as that, the more specific guidelines.

I could add other things. I think, possibly, grants for more and more conferences, although I do not really think the Minister has the personnel to have the number of conferences that are needed to provide the kind of background in the municipal planning which really must take place at the local level right across the province.

Mr. Sopha: Not enough action!

Mr. Pitman: But nevertheless, I do suggest this is a solution.

Mr. Sopha: Not enough action!

Mr. Chairman: Vote 1402. The member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, I would like to ask the Minister if he has made any attempt to streamline the procedures of the applications on the part of municipalities to his department in respect of planning? As it is today, it takes so long to have a planning subdivision approved. Is there any way that this could be speeded up so that approval may be given a lot quicker than it is today?

I have two other questions after this, Mr. Chairman.

Hon. Mr. McKeough: I have not found the information that I am looking for here. Would

you like to proceed with another question and I will try to find it?

Mr. B. Newman: Yes, may I ask him if the department is considering amending The Planning Act to enable municipalities to pass bylaws so that they could eliminate dilapidated structures, such as fences, and so forth?

The original resolution had been passed by the town of Lindsay. I understand that it circulated among many municipalities throughout the province of Ontario, and was endorsed by many.

This would permit the councils and municipalities to pass bylaws authorizing the pulling down, or repairing or renewal, at the expense of the owner, any building, fence, scaffolding, or erection which, by reason of its ruinous or dilapidated state, faulty construction, or otherwise, is in such condition that an unsightly pile of rubble, or ruins, or enclosed or fenced-off areas exists, and constitutes public eyesores, and can have a detrimental effect on the adjoining property and depreciate the value of the surrounding area.

This would enable municipalities to beautify their communities and I think that it is worthy of consideration.

Hon. Mr. McKeough: We are aware of these resolutions, and we have them under consideration. Going back to your previous point, and I suspect that perhaps came from this resolution—interestingly enough, that was a resolution that originally came from the town of St. Thomas, I am not sure. At any rate, that came around just about the time that I first arrived in the department and it was endorsed by some 20 or 25 municipalities. I took the opportunity to write to them and say all right, I am all for streamlining, what would you do? To date I have had a reply from one of them, and this is seven months later. It was very easy to talk about streamlining, but when you get right down to how you would streamline, that is something else again.

My friend for Wentworth raised a very interesting point this afternoon about the decisions of the committee of adjustment, and I agree with him. But the committees of adjustment now, in so many cases, are causes of what seems to be red tape and so you add something else in that bundle to protect against the sort of situation which my friend from Wentworth described. You run the risk of adding so much more red tape, necessary but perhaps not altogether desirable.

From time to time, we run studies on the amount of time involved. The member particularly mentioned subdivisions, and we studied 100, or 97 actually, between the dates of April 17, and July 4. From the time that the initial application was received for approval, and the date of draft approval, 23 of the plans were approved in 3 months, 38 were approved in four to seven, and 17 were approved in from 8 to 11 months. The remaining 18 took longer than 12 months to approve. This is the draft approval position.

Generally, when we run these studies we find that the lapse in most of these situations is not as great as it used to be.

Mr. B. Newman: I am happy to hear that, Mr. Chairman. Is there any chance of having an extension of time concerning winter work subsidies if in the application for these subsidies the delay is the fault of the Ontario municipal board? In other words, if a community has requested an approval of its winter works programme, and—

Hon. Mr. McKeough: That is under 1407.

Mr. B. Newman: I will take it up at that point then. May I bring to your attention another resolution? This originated in my own community and concerns the beautification of the area between the roadway and the lot line. This would entail an amendment to the Municipal Act to enable municipalities to pass bylaws to permit the owners or lessees of land abutting upon any highway within those portions of the municipalities in which land would be used for residential purposes, to erect, establish, make and maintain fences and hedges on the untravelled portion of such highway, for such consideration and upon such terms and conditions met that may be agreed but not so unreasonable as to confine, impede or hinder public traffic. This would enable the resident of a municipality to beautify that portion between the lot line and the road.

Hon. Mr. McKeough: I do not recall that resolution and I am wondering if it may have gone to the Minister of Highways rather than to our department?

Mr. B. Newman: No, it specifically made mention "be it resolved that the Minister of Municipal Affairs be urged to—". This was passed on July 24 of this year by the city of Windsor.

Hon. Mr. McKeough: Well, I have not got a copy.

Mr. B. Newman: I will make a copy of it and send it over to hon. Minister.

Mr. Chairman: The member for York Centre.

Mr. Deacon: Mr. Chairman, the Minister was mentioning a lack of suggestions for streamlining the procedure in approval of draft plan approval through the community planning branch. One suggestion that I heard that I think has merit, is that wherever municipalities have a master plan adopted and approved by the department, then if they accompany their subdivision agreement with a statement of declaration that the plan meets all the requirements of the master plan, the official plan, then it gets automatic approval.

It seems a waste of time to impose on this branch—which is already overworked and which is doing its best to keep up with a never-ending and increasing burden—needless reviews of plans which can be shown to meet all the requirements of the official plan.

I suggest to the Minister that this would be a great way to facilitate the approval of plans, because many of the areas which do not now have an official plan would perhaps move faster to get their official plan implemented if they knew that this would expedite plans now being considered. I would appreciate the Minister's views on such a suggestion.

Hon. Mr. McKeough: You were talking about the official plan, I think, rather than a master plan?

Mr. Deacon: Yes.

Hon. Mr. McKeough: Well I would agree generally. The problem is that the situation tends to change from time to time. Our official plans tend to be, I would suspect, on an average at least five years old perhaps. They are updated and amended, but the situation changes, as do the views of the OWRC and other government agencies relating to that particular plan with regard to a subdivision.

But it is safe to say that where there is an official plan there is no question that a plan approval of a subdivision is processed much more quickly than where there is not. I think where the official plan is up to date, where it is firm, everybody gets the same treatment. But where we are aware that there is an active, vigorous planning programme going on—I think the staff are normal—those things go through much more quickly.

Mr. Deacon: I am pleased with the Minister's observations on that. I think perhaps if they had an automatic approval of the plan—if there are no observations to come back within a two- or three-week period—it might be one way of spurring the matter in such circumstances where there is an official plan approved. And as long as the department and the OWRC and others that are concerned are aware of the fact that if they do not put before the department their objections quickly then these plans are going to proceed. One of the great costs in processing land today is the delay of getting subdivision plans approved.

Now, another matter in the community planning branch that I would like to bring up here is the MTARTS study, which I believe was handled by this division was it not, Mr. Chairman? Is this the area of MTARTS study came under?

Hon. Mr. McKeough: I think so.

Mr. Deacon: The MTARTS study seems to be based upon the availability of services, or where it is most feasible for services to be provided to the area surrounding this metropolis, rather than based upon where people seem to want to go. They seem to be under the impression that it is very difficult to process, or to provide sewage and water facilities to the north of the city and that seems to be the whole basis of the report.

It is based upon pushing people as close as possible to the lake where they can easily dump the effluent from the sewage plants and also pump in the water for the water supply. But it is very interesting to note—and I am wondering whether the representatives of the community planning branch took into account the fact—that some 42 per cent to 45 per cent of the people who have moved into the Toronto area during the past ten years have moved to the north, not to the east, not to the west, but to the north; that some 30 to 32 per cent have moved to the west of the city and some 25 or 26 per cent to the east.

Obviously the preference of people is to the north. I think the basic planning and study and the thoughts of the community planning branch should surely be taking into account what people seem to want and then find out what the cost of providing the services to those people is going to be. It is a matter of an additional cost if they are going to be away from the lake, and that can certainly be measured. If you are going to put in a sewage plant and pump water ten miles away from the lake it is going to be more expensive than it is right on the lake;

and these are measurable economic factors to take into account. It seems to me that the MTARTS people should have put that in their study rather than just guide their study along—have it completely hedged in by where the services would really go.

Would the Minister say if any consideration was given to where people want to move? I could not seem to see that in the report.

Hon. Mr. McKeough: I do not know that it is specifically in the report in the goals planned as outlined. I think it certainly must be in the evaluation which must be carried on by the Treasury and which we will be involved in, as will all departments, in the final analysis, and I think this is certainly very important. We have to weigh the balance between what the costs are and certainly, not just what people want, but the social values—perhaps the kind of society that we are hoping to live in or to create. Those intangibles—if I can put it that way—certainly have to be taken into account.

Mr. Deacon: Mr. Chairman, from a planning concept certainly there are many problems in working on a band concept rather than a semi-circle concept. What the Minister is referring to, I presume, is the matter of satellite cities or green belts and that type of thinking rather than the actual direction of the development from the city.

Has the community planning branch made any recommendation to the Minister concerning the establishment of county or regional planning boards or providing county councils, or regional councils, other than in the area where they have already implemented their new Acts, such as Toronto and Ottawa-Carleton, giving them control over municipal planning and thereby delegating to these regional boards the responsibility for subdivision approval that we now are still leaving with the community planning branch? It seems to me unnecessary, in view of the fact that these regional and county boards should be well qualified to decide what is good for their area.

Hon. Mr. McKeough: Yes, the department actively are encouraging the creation of larger planning units—county units, groups of municipalities, because with a larger unit the technical advice and staff become more possible.

Mr. Deacon: Would that also include the department delegating to such regional planning boards or councils the ability to give approval to plans without having to go through the department's community planning branch?

Hon. Mr. McKeough: No, that has only been suggested in one piece of legislation to date.

Mr. Deacon: But the Minister is hoping to do that in time? Is that something he is proposing to bring in?

Hon. Mr. McKeough: Well, I would dearly love to, yes.

Mr. Chairman: The member for Thunder Bay has been attempting to get the floor before on a certain point.

Mr. J. E. Stokes (Thunder Bay): Mr. Chairman, I wonder if I might ask the Minister if this is the place in his estimates where he would like us to discuss improvement districts.

Mr. Chairman: May I point out and remind the committee again that in dealing with the community planning branch—1402—we are also discussing items 3 and 8 of 1405 and item 1 of 1407.

Hon. Mr. McKeough: Vote 1404 contains improvement districts.

Mr. Chairman: The member for Kitchener.

Mr. Breithaupt: Mr. Chairman, at the regular meeting of the council of the corporation of the city of Kitchener a resolution was passed on June 3, 1968, as follows:

> Whereas the amendments made to section 27 of The Planning Act by Bill 89, enacted at the current session of the Ontario Legislature, infringes upon the autonomy heretofore granted to municipal councils with respect to zoning matters; whereas the said amendments allow the Minister of Municipal Affairs to invalidate municipal restricted area bylaws and to change the zoning imposed upon any lands in the province without any notice to anyone, without any protection or right of appeal being provided to the individuals or municipal councils involved; whereas such powers granted to a Minister of the Crown are contrary to the principles of democracy and local self government; therefore be it resolved that the government of Ontario be urged to immediately repeal the aforesaid amendments to section 27 of The Planning Act, and further that copies of

this resolution be forwarded to the Ontario municipal association, the association of Ontario mayors and reeves, and to the councils of other Ontario cities for their endorsation and support.

Now, Mr. Chairman, it is not my intent to review the lengthy debate that went on at the time of this amendment but as hon. members are aware, the Minister now has the power to exercise these matters and he need give notice to no one. Further, his action, of course, is not subject to the approval of the Ontario municipal board or of any other body. I am wondering if the Minister can inform us—

Mr. Chairman: Order, please. I should point out to the member—and I suspected that this was the case—that under the rules of the House no member shall reflect upon a vote of the House during a session in which that vote was carried.

Mr. Breithaupt: I was going to enquire of the Minister whether he has received any request to exercise this power as such, or whether any are pending at the present time with respect to this type of change of restricted area bylaws. That was my only comment.

Hon. Mr. McKeough: The answer to the first question is "yes" and to the second question "no."

Mr. Breithaupt: Can you give me the number?

Hon. Mr. McKeough: Oh, I think I mentioned them in the House and if you would ask your seat-mate he would tell you all about one of them.

Mr. Chairman: Vote 1402?

Mr. J. Renwick (Riverdale): Would the Minister care to tell me what initiative the community planning branch has taken to unravel the tangled knot of urban renewal in the city of Toronto, and whether there are any plans or projects which are matters of discussion between this branch and the appropriate officials of the city of Toronto?

Hon. Mr. McKeough: The city of Toronto, as I think you probably know, has hired a new director and during this time—let me put it this way: Certainly during the last 12 months I think we have been meeting more with the officials of the city of Toronto; we are looking forward to doing more of it. Some of the experience which we have gained in other municipalities in the province we are attempting to pass on, and it is being requested of us and we are passing it on to Toronto officials and, I think, imparting some of the knowledge which we have in this rather difficult area.

Mr. J. Renwick: Mr. Chairman, would the Minister tell me if there are any specific proposals which are under discussion with the community planning branch on the city of Toronto, for urban renewal?

Hon. Mr. McKeough: Well, there are the three areas where schemes are going ahead. I could give you a report on those three areas; one is Kensington—we are not really actively involved; Kensington at this point with the council is in the process of creating or appointing a committee made up of residents and representatives of the councils. I think that is probably the state of that scheme at this moment. Don Vale, I hesitate to comment at great length on it; I think the city has been making some progress, we are told, in working with the residents in that area. Trefann Court, I would say, is at a standstill at this moment. Those are the three areas in the city which are active at this moment, to our knowledge.

Mr. J. Renwick: Mr. Chairman, does the Minister subscribe to the views which were expressed by the Minister of Correctional Services during the election on the question of the participation of the residents of urban renewal areas in the initial planning and discussion of projects?

Hon. Mr. McKeough: Very definitely! Sorry, go ahead.

Mr. J. Renwick: I was going to ask you what you had done to emphasize or to implement that policy which the Minister of Correctional Services spoke about so definitely during the election period.

Hon. Mr. McKeough: It is not really a new policy. Perhaps we have defined it more. We are in the process now. We have imparted it, perhaps verbally, and we are going to get it out to the planning people in the field in the very near future. Perhaps I could read you some of this material:

The province of Ontario has provided guidance, legislation and financial advice to municipalities concerned with urban renewal for over ten years. The province has not only matched federal aid, step by step, programme by programme, but has led the way for all Canada in legislation

for urban renewal, research into urban renewal problems and in publication of literature, field guides, and manuals that have attracted nation-wide attention.

I am not going to read all this, some of which is history now, but I think it is rather an impressive record and, really, what we would hope is that much of what has been done has been good. Some of it has been very painful, and I am sure the hon. member recognizes that, but much of it has been good.

I think the figure which has been spent on urban renewal in the ten-year period is now approaching, I believe, $120 million—something in that order—over the last ten years. That is at all levels and we have contributed our share of that.

Now, there is a great deal more to be done but it does go ahead steadily, perhaps with more speed in some areas than it has here. And I would be glad to give some of those figures.

It must be understood that the programmes are initiated and carried out by the municipality. Neither the federal government, through central mortgage and housing corporation, nor the province through The Department of Municipal Affairs, intend to enter directly into matters as locally intimate as those involved in urban renewal. We are ready to help municipalities take full advantage of aid from the federal government and the province, but the lead must come from the province itself.

Since 1964, when the province of Ontario, among all provinces, kept pace with the federal government on both housing and urban renewal, there have also been advances and modifications in procedures and policies. These have included more generous aid from both the federal and provincial governments to municipalities under 30,000 in population. The door has been opened, in principle at least, to sharing in the cost of special relocation allowances to help owner-occupants in urban renewal areas to purchase another home without increasing additional financial hardship.

Studies are continuing into such problems as rehabilitation, the price of cleared land to be disposed of to a municipality for public purposes; and a relocation of commercial enterprises, as well as better techniques of relocating residences. Now, those are the sort of things which both ourselves and central mortgage see as our particular role.

Mr. Chairman: As a matter of clarification, I point out to the Minister and ask him, in the centre of the remarks, he said, "the lead must come from the provinces." Is that what he meant?

Hon. Mr. McKeough: From the municipality.

Mr. Chairman: The Minister said "provinces"—and apparently he was wrong. I just wanted to clarify it.

Hon. Mr. McKeough: It has been clarified now. No, the lead must come from the municipality. As the province continues to assist municipalities to enjoy the benefits of financial aid from the federal government and from the provinces, it will increasingly demand a higher standard of official community plans than has been received in the past. This, we believe, is a reasonable request, and one which should be welcomed by all municipalities. While the urban renewal aid programme is available to help overcome the mistakes of the past, we must do everything possible to make sure that similar mistakes of growth and development are not repeated *ad infinitum*. This is in keeping with the statements made by my predecessor when provincial policy announcements on urban renewal were made in the summer of 1964.

Now, the second part is about the minimum housing standard programmes and such, in 1938. This is a draft, I may say, and something which will be going out to the municipalities. I had originally intended to put this on record, perhaps during the Budget debate. It will now go out to the municipalities.

Thirdly, and most important, and this is your particular question, is the matter of citizen participation in planning for urban renewal and its implementation. Citizen participation and community planning in urban renewal means many things to many people. At one extreme, it means planning by the people, where everyone has an opinion, whether well-informed or not. At the other extreme, it is the path of acceptance of an idea, prepared by experts and imposed as "good for the people." At best inevitable or unavoidable, and uncompromising at worse. In between, there are a variety of ideas, including active resistance, friendly involvement, creative conflict, self determination and responsible involvement. All these phrases, incidentally, came from a series of meetings which the staff had with a number of people who are involved directly with, or on the

fringes of, the scheme here in Toronto, and elsewhere in the province.

For over 20 years, citizen participation has been recognized by the province as an essential element of good community planning which, among other things, includes the planning for the renewal of an area, neighbourhood or district. This is reflected in The Planning Act which states that every planning board shall hold public meetings. And I do not need to read those sections to my friends. The urban renewal votes have stressed these matters.

Mr. Chairman: I wonder if the Minister has very much—I would point out the time to him.

Hon. Mr. McKeough: A good point to stop.

Mr. Chairman: It being six o'clock, I do now leave the chair. We will resume at eight.

It being 6:00 of the clock, p.m., the House took recess.

Legislature of Ontario
Debates

No. 152

ONTARIO

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Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JULY 16, 1968

The House resumed at 8:00 o'clock, p.m.

ESTIMATES, DEPARTMENT OF MUNICIPAL AFFAIRS
(Continued)

On vote 1402:

Mr. Chairman: When we recessed at 6:00 o'clock, the Minister was in the middle of making some comments.

Hon. W. D. McKeough (Minister of Municipal Affairs): Yes, Mr. Chairman, we were talking particularly about citizen participation in urban renewal projects, and I will continue reading from this statement which is not much longer. You will recall that I indicated that The Planning Act reflected that the planning board should hold public meetings and publish information for the purpose of obtaining the participation and co-operation of the inhabitants of the planning area in determining the solution of problems or matters affecting the development of the planning area. That section has been in The Planning Act for some time.

Later, in 1958, "Urban Renewal Notes", a publication of The Department of Planning and Development dealing with urban renewal, emphasized the importance of citizen participation. There were two statements taken directly from that publication some 10 years ago.

> Urban renewal is not an activity that is undertaken in the backroom but it is one in which the entire community has a vital concern.
>
> On this concern depends the success or failure of the programme and at a later stage, at the preliminary discussion stage, the community should turn its attention also to the use of community groups—churches, social agencies and the like—that are valuable in supporting redevelopment and interpreting redevelopment programmes for the public, particularly where the redevelopment of residential areas is concerned. All meetings at this point would also of course include representation from the planning board and council.
>
> This guidance over the years has been helpful to many municipalities, notably Ottawa and Hamilton. Events last year in Toronto, however, have made it necessary for the province to take a firmer stand to ensure that citizen participation does in fact take place.

On October 12, as my friend has mentioned, my colleague, the hon. Minister of Correctional Services (Mr. Grossman), made the following statement:

> The Ontario government will not participate in any future urban renewal projects unless, in the initial stages, an urban renewal committee is estabilshed on which there will be representation of the residents of that area and with an urban renewal scheme as contemplated. This urban renewal committee will provide the vehicle through which the residents will present their plans for conservation, rehabilitation, or re-development which they believe will best suit the needs of the area in which they live.

Subsequent to this statement, with which I and the staff of my department wholeheartedly agree, I instructed that detailed guidelines on citizen participation be prepared and be made available to all the municipalities engaged in urban renewal operations. Those guidelines are now available. They are designed not only to assure the province that there is an adequate and real involvement by the people directly affected by urban renewal, but also to help municipalities in framing the programme for this participation.

The guidelines in general deal with such basics as communication with citizens, organization at the local area levels to ensure adequate communication, on-site office arrangements and staff, to mention a few.

The spirit of citizen participation is well expressed in a recent publication on urban renewal in Sudbury, entitled "A Progress Report, April, 1968", and it says in part:

> The interest and encouragement of every citizen is vital to the success of this very important project which is so essential to the revitalization not only of the downtown area but of the entire community.

This spirit, Mr. Chairman, must apply to all communities in Ontario that are attempting to make full use of the tools of urban renewal to help overcome their problems.

It must be realized, however, that decisions in urban renewal, as in all phases of municipal development, are ultimately decisions that have to be made by elected representatives in the interests of the community at large. Decisions in urban renewal can be assisted by good citizen participation and community organization, but to expect such decisions on a popular vote basis would be to invite chaos and stagnation.

Now, in effect, we have re-inforced the statement which was made by the then Minister of Reform Institutions—I think we have tried to point out—and I do not want to be critical perhaps of what has gone on in the immediate area—but we have tried to point out—and Sudbury is a case in point—there simply have not been some of the problems which you have experienced here in this area. But we think we are getting back on the right track here and quietly giving and being asked for some assistance and we hope we will get this vehicle rolling again.

Mr. Chairman: Was the member for Riverdale pursuing this?

Mr. J. Renwick (Riverdale): Mr. Chairman, I am delighted to know that the Minister, at least, verbally agrees with the imperative need for adequate participation. I do not want him, or anyone else, to think that I underestimate the patience that is required in order to achieve any form of meaningful participation.

I would draw to the Minister's attention, if he has not already either received it or had an opportunity to peruse it, the booklet, "Rehabilitation, Outline for a Policy"—which was put together by the ward two residents association, the Don Vale association, which is a very real endeavour on the part of the very people who you would wish to have participate in urban renewal, to work out a policy at the local level of the various steps which could be taken.

I agree, and I think that anyone who has had any brief experience at all with urban renewal schemes would know, that you are not talking about a referendum vote, or a popular vote. What you are talking about is the ability of the people in the area to form some sort of meaningful structured association within which committees can operate in conjunction with the committees at the level of the municipal corporation, and with committees at the provincial and federal level, in order to make certain that the plans which are evolved for any area meet the largest popular response as can be achieved.

I think that is quite clear, and it is very easy to talk about citizen participation, but very difficult to implement it. I think that the Minister understands when I say it takes, in my view, an almost infinite kind of patience. The Minister may be aware of the results obtained in New Haven, Connecticut, which was held up for many years as the classic ideal form of urban renewable. What in fact happened, just recently in New Haven, was not just because of the difference of the racial problem in the United States but simply because what they had thought was an adequate form of citizen participation was, in fact, only a very formal participation, and the people in the area did not have any continuing connection with it.

The reason was quite clearly that they were also engaged in clearing an area and relocating people elsewhere without giving adequate consideration to where the people were going to be relocated. That is why I think that this ward two association booklet is very valuable in its contribution in the Ontario context.

I think that we have to get away from any suggestion that the only thing that can be done is to demolish totally an area, and that large portions of the downtown part of Metropolitan Toronto can be rehabilitated. Other areas or parts of the area will require new buildings and structures, but the basic form of the community can be maintained and rehabilitated and renovated over a long period of time so that the community is not destroyed and the people continue to have the kind of participation about which we have just been speaking and about which the hon. Minister spoke.

I would ask the Minister one further question. Now that we have a new broom in Ottawa—of the same old straw or not remains to be seen—but are there discussions between your department and the federal government on any part of this urban renewal programme, and are discussions anticipated in the near future?

Hon. Mr. McKeough: Not at my level. Perhaps at the staff level I think that it should be said that we talked to people in the municipalities and the director said this to me during the dinner hour. He said that I could have said that we talked to people in Toronto and area on this problem daily, as we do to other municipalities. I think that it is also

safe to say that we talked to central mortgage and housing.

We have a very good daily relationship on these problems. I think that I should say to you that not at my level have I talked to the Ottawa officials, although I propose to do so, and in fact I made that note during the dinner hour, that I should be in consultation with Mr. Hellyer before very long.

It is also safe to say that our level—although I cannot speak for central mortgage and housing corporation—but both of us feel that we want to avoid duplication at all costs, let me put it that way. Both of us are required on these advisory and technical committees, and both of us are represented. The staff can do nothing else than to go to these committee meetings and we are looking for ways where either one or both of us can get out of the picture, but keep informed and rely on the other.

Or perhaps both of us can get out and leave it to the municipality. The federal government's role is primarily, I suppose, the banker. In some ways ours is, too, and if we are going to leave the initiative to the local municipalities, then we can do our part by trying to get out of the picture rather than get into it. I suppose really one of our big roles would be promoting urban renewal. My own community—and I guess I would say this in Chatham—has several examples of where urban renewal projects, in my view, would be worthwhile. The council—including the time when I was on council—has shown no great interest in this.

This is really our role as much as anything, or it should be our primary job to get down to the Chathams of this province and say: "Come on here. The federal government and ourselves will give you all the help, the money you need", and stir up interest in it, rather than the direct supervision or the detailed checking and so on, because there are competent staffs who do this. This is what we are trying to do, and we are talking with central mortgage along these lines. I do not want to speak for them, but I think they are in agreement with us.

But to answer the member's question, I have not been directly in touch with central mortgage since the election.

Mr. E. W. Sopha (Sudbury): We, of course, watch with great enthusiasm the project going on in Sudbury where a severely blighted area of the downtown core of the city is going to be demolished and replaced by other forms of development. Perhaps it is appropriate to express a word of gratitude to the *Globe and Mail* for the series of articles that newspaper did on the city in which it gave very prominent place to the urban renewal development in the central core of the city. I am told those articles in that widely-read newspaper elicited many enquiries from many parts of the country about the progress and the actual mechanics of the operation of the scheme. I, of course, am very enthusiastic about the participation of this department and I would like to take the opportunity to congratulate this Minister and his officials for the vigorous way and the encouraging way in which they have participated as one of the three partners in the scheme.

Now, there is one thing to be noted. One must accord every laudation to the citizens. I do not know what the member for Riverdale means about citizen participation, but if he means the participation of citizens who actually form the commission, then they are entitled to every congratulation.

It is rather an anomaly to see these people of great ability, professional people, successful people, coming foward and giving so much effort, taking so much time and making such a great contribution to the success of the scheme. It is anomalous to see them throw themselves into that type of enterprise and yet the same people, if you suggested to them that they run for municipal council, they would throw up their hands in horror at the thought of giving up their evenings to sit around the council table and perhaps suffer the criticism that falls on municipal councillors. However, their contribution is certainly magnificent.

Now, the other thing is that perhaps Sudbury will be an example of that type of scheme that will teach lessons to the department and other levels of government in other parts of the province. Perhaps some of the kinks that will be ironed out in Sudbury will provide valuable experience. Certainly the difficulties are many. As the member, one becomes acquainted with them in relation to the dislocation of people, their displacement and the provision of alternative accommodation for them—not to forget the prices being paid for the condemnation and expropriation of the property and the pain and anguish that that item gives rise to.

Well, these are all matters of experience. The other thing, I do not want to be entirely benign about this, I do not want to get out of character entirely; when one remembers that this is a three-party partnership, municipal government, provincial government and federal government through CMHC and I

think they put up rather a large chunk of the cash, the senior government, through CMHC, I just forget how much—

Hon. Mr. McKeough: Right.

Mr. Sopha: How much?

Hon. Mr. McKeough: Fifty per cent.

Mr. Sopha: Fifty per cent, they put up half the cash—one wonders about the huffing and puffing of the Provincial Treasurer about some remarks made by Mr. Hellyer about interference in municipal affairs when they are very much a partner. The Provincial Treasurer (Mr. MacNaughton) seemed terribly sensitive about Mr. Hellyer's references yesterday and I suppose Mr. Hellyer will become the responsible Minister. Well, as long as he is putting up the cash, I would accord to him the right to make some observations about how it is spent and I hope the Provincial Treasurer is prepared to accept any suggestions that Mr. Hellyer may make.

Now finally, I think that the major difficulty that will be encountered in efficiency in these schemes is the fact that three partners means difficulty in the decision-making process. Before they take a step, they always have to go back to the overseers in their own level of government. They have to go to the city council. The municipal people have to go to the Minister of Municipal Affairs. The CMHC people have to go back to the senior government; so that the decision-making process is inefficient in the extreme. I would hope—and I have said this in another context—that perhaps in the future scheme some overall body capable of making and enforcing decisions can replace the present process. Then this government can delegate, to some appropriate organ, the power to make decisions so that the scheme can get ahead.

The chief deficiency in it is its slowness. We have been at ours now—how long is it?—three or four years and I think they have yet to tear down a building. But I am very encouraged that when they start to tear them down—the old Queen's hotel is going within the month—thousands of cockroaches will be made homeless and a landmark in the city will disappear.

Hon. Mr. McKeough: Well just one comment, Mr. Chairman, and I am through.

We looked at Sudbury for leadership in this regard. We were talking about citizen participation. I will just mention it—I am not going to read it at all, but there are all different kinds of citizen participation and in some measure, we are talking about business participation, commercial owners in Sudbury and tenants as well, homeowners. We have been talking about one kind—a different kind, perhaps, than the context of Toronto. It was a very delightful brief. Some time you should read the brief from the Sydenham ward ratepayers association in Kingston. The member is here.

I suspect that this ratepayers association is well loaded, if I can use that expression, with RMC people, with Queen's people, but it really is quite a fascinating brief. It is the same thing, citizen participation, and they worry about different kinds of things, but it all adds up to the same sort of thing.

Mr. W. Hodgson (York North): Mr. Chairman, I listened with a great deal of interest this afternoon to the various arguments put forth by the different members of this Legislature and I was very interested and pleased to hear the Minister say that he was very desirous of county planning boards.

The county that I have the privilege of representing, six municipalities in the county of York, I would imagine maybe is a unique situation in the province of Ontario, but in 1954, when Bill 80 was passed and created Metropolitan Toronto, it gave jurisdiction over planning in six southern municipalities of York county.

Now the members of York county council and the Minister is quite aware of this, but we are very desirous that York county becomes a planning area of its own. More particularly, since Bill 44 will be passed in the next few days to the third reading, where the county school administration over the county will be the new type of administration as far as school boards are concerned. It makes them all the more desirous that they should have complete control over the planning in York county.

We are reaching that very desirable population that was mentioned by the member for Yorkview (Mr. Young), this afternoon, 150,000—we are very desirous of, let us say, running our own show. The question I am going to ask the Minister is; they have made representation; what is their next step?

Should they make official representation to the Minister so he could give them leadership in this field and give them direction? What is their next step as far as becoming a planning area of their own?

Hon. Mr. McKeough: The member for York North has spoken to me about this and we have met with York county on two or three occasions and they have, of course, met with the Prime Minister (Mr. Robarts). I wish I had an answer for him, but I do not. I think I indicated this afternoon—we were talking about this under the main office vote—perhaps about the relationship of regional development to regional government. I said that, in the long run, and in my personal view—which is not a statement of government policy—you cannot separate planning and development. I would say that those boundaries should ultimately be contiguous to achieve maximum facility of operation to ensure more rapid results.

I am not happy with the situation, and nor were the draftsmen, I would think, where you have a governmental area in York county, in which their planning function was under the Metro planning board. On the other hand, it must be said that the Metro planning people—and I am sure that all of them work toward the end objectively rather than for a larger Metro—object to. Or are not happy that they do not have all the tools to do the planning that they should do because they really advise, or do not control to the fullest, those parts of the Metro planning area which are not part of Metro.

I am not happy with the situation, and I do not think that it is good, but as I said to the member, and to the county of York, at this point I do not have a solution. I hope that before too long, a solution will be forthcoming. I think that the answer will com to us in terms of the MTARTS study, and then I hope that we will have a better answer than the one we have now.

Mr. Chairman: The member for York North.

Mr. W. Hodgson: Thank you, Mr. Chairman, and I can assure you that the boys in York county are just as anxious for a solution to the problem as you are. You have heard from the members for York Centre (Mr. Deacon), and Ontario and York; they are all very anxious. We are being pressed all the time for an answer and I appreciate very much if we could have an early solution to this problem.

Mr. Chairman: The member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Chairman, if I may go back for a moment to the urban renewal. I am rather hesitant to say anything unkind about urban renewal, but, together with those wonderful aspects of the rebuilding of the downtown core that takes place, there are problems. The largest problem seems to be the housing of those people who resided in the area which are to be torn down and rebuilt. Now, until we get to the point where we are prepared to provide adequate compensation for people who lose their homes in urban renewal, then it is not going to meet with the success and achieve the end result that it should be achieving.

These urban renewal projects should not necessarily just be one of beautification. It should be one of upgrading and improving the living standards of the people who have lived in these areas. At the present moment, the compensation that is allowed those people who have to move out of what may be considered inadequate housing, is not nearly enough to allow them to move into housing in another area.

Now I feel that until we get to the acceptance of the house-for-a-house ideal in home expropriation, which it does not end up being in many cases, we are not going to achieve the results that we desire. We do not build nearly enough public housing to take in the many families that are put out of homes and who have lived in what may be classed by some as substandard units. We do not provide enough public housing to facilitate accommodation of these people.

There are two areas in which we have to be more forceful in this province if we are going to undertake any massive urban renewal of the type mentioned in Sudbury and is presently going on in Hamilton. That is to ensure that those people who have to move—and generally they are the lower income group—are provided with accommodation that is better, or at least as good, at a cost that they can afford. Until we get to this point, urban renewal will not serve a useful purpose.

Mr. Chairman: The member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Chairman, I would just like to confirm the views of the southern part of the county of York insofar as wishing to become involved with the rest of the county on a planning basis, and also to state that the Minister need not be concerned that we are not now well represented on the Metro planning board, as we are getting good representation, and to date we have had little to complain about.

The main problem is that we do not see ourselves, in the long run, as part of Metro. We want to be part of another region north of Metro and we hope that the Minister will get busy and give leadership to the group so that we will develop that as soon as possible.

Mr. Chairman: The member for Yorkview.

Mr. F. Young (Yorkview): Mr. Chairman, a year or more ago, in this House, we had certain problems brought before the Minister of Energy and Resources Management (Mr. Simonett). This was in connection with the erosion which was threatening certain houses at that time in the Metro area. This followed a death in York East, where erosion had destroyed backyards, and one life. Now, at the present time, the engineering and the actual works are being completed on Troutbrook Drive in my riding, and the St. Lucy Drive project is finished. The people there are happy about the situation. But the problem that I bring before the Minister tonight, in this whole realm of planning, is raised by a speech of Herbert Fennerty, an engineer with James F. MacLaren, as reported in the Toronto *Daily Star* of January 27, 1968. He warned that there were 73 miles of river bank in Metro where erosion could cause landslides.

He told the Metro conservation authority on flood control that erosion threatened life and property. He pointed out there were 246 miles of waterway in the Metro region south of Highway 7. He said that a preliminary engineering report showed 277 problem areas, mostly on the Humber, and urged tougher laws to control building near river banks.

Now, a year ago, we had quite a discussion in this House about this problem. Ultimately, I suppose, it is up to the municipalities to see to it that buildings are so placed along the river banks that erosion will not threaten their extinction in the years ahead. But this is not always possible in many areas of Ontario where there are situations like this. Sometimes councils are just a little lax, and sometimes the pressure of high value land leads to the building of homes just too close to erosion-prone banks.

Now I do not know whether this Minister has taken this into consideration, but he certainly should, because ultimately the subdivision plans have to be approved in his department. While again I think that the major responsibilities should rest, for most of these subdivision plans, particularly in this area, at the local level. There is an area here where the regulation could be made where The Planning Act could be so amended that a certain criteria to be set up in respect to erosion-prone lands and the building thereon. I wonder if the Minister has any comment in this regard?

Hon. Mr. McKeough: No, except to agree with the hon. member. I live on the shores of Lake Erie, and I am a little bit conscious of the problem of erosion. We lose about a foot a year I think, on the average, and we are 100 feet back. My father always took the attitude that he had a hundred years to worry about it, and he was not going to worry about it much, and I am not too worried. But as far as we are concerned, the two cottages next to us have both been moved, both of which would be completely over the bank at this point, so I am aware of this problem.

We have erosion, although not particularly with relation to housing, in Chatham on the Thames. There is a great big block downtown, which is ripe for urban renewal, which is about to fall into the creek in Chatham. This is The Department of Labour suggesting that there should be something done about what is a serious problem of erosion, so I am aware of the problems of erosion, but particularly as far as the department is concerned. I do not know what happened when St. Lucy Drive and those plans were approved —whenever they were—but now, and I have noticed this myself, I think because of the slight interest I have in erosion problems, that every approval for a plan of subdivision I see, and I see a small percentage of them, and often consents, the other things which come to my desk for one reason or another, we always seem to circulate the conservation authorities—I guess we circulate the branch in energy, who, in turn, write to the authority and get their opinion. The director tells me that we give great weight to the opinion of the local conservation authority and/or the branch.

I think this is true, because I noticed two or three severances for one reason or another which they were getting a clean bill of health for practically everything else—from health and highways and the local MOH and so on, down the list, and the conservation authority was not too enthusiastic about it and we have taken that advice perhaps, and put stronger emphasis on it than some of the other advice we have had. So I think currently we pay a great deal of attention to the problem which you have raised.

Mr. Young: Another planning matter, Mr. Chairman, which I would like to raise with the Minister. I have done this in former

years with former Ministers, and that is the section of The Planning Act which provides for 5 per cent of the land to be subdivided for municipal purposes and used mainly for parks. Now I think all of us are aware that in the larger cities as we enter the high rise apartment stage that the 5 per cent land is no longer adequate as we live vertically instead of horizontally.

This 5 per cent was designed mainly for the urban sprawl of former days when we lived in bungalows or houses on larger lots and when the 5 per cent was designed to give space particularly to children in those homes.

Now today no longer adequate and often composite subdivision plans come in. Part of a plan will be high rise apartments, another part row housing, and then single family homes, and because the single family area is the least valuable land, the 5 per cent land is often taken in that section. Too often in the past—I hope this practice is passing—it may be swampland or land which is river valleys and this sort of thing, but too often not good play space.

Then the fact remains that we are now facing a population problem wherein this kind of mixed subdivision plan the play space is just not good enough. Standards have been set by people in this field of something like 2.5 acres per thousand of population, that is for immediate play space, and then there is an addition to that for open space of various kinds—river valleys and so on. But I wonder if the Minister is taking this matter under serious consideration that some other criteria ought to be set up for land for municipal purposes other than the 5 per cent of the subdivision area.

Hon. Mr. McKeough: Yes, we are. I noticed in last year's estimates, I think that Mr. Spooner undertook to take a look at this. We have not come up with an answer yet. The municipality cannot, in their approval, ask for more than 5 per cent; they can zone for a high content of public space.

Mr. Young: They can take 5 per cent of the apartment land, and sell it to buy more of less valuable space, but very few of them do this.

Hon. Mr. McKeough: Right. Interestingly enough, and I am not saying this is what our conclusions should be, but the three problems I have had relating to this matter in the last eight months, most particularly from the member for Ontario South (Mr. W. Newman), are municipalities where they have 5 per cent land that they simply do not know what to do with. They have money in the bank that they do not know what to do with —and they would like an amendment to the Act—these are three little municipalities—to use it for other civic purposes and I think that may well be the next amendment to the Act, giving some discretion probably to the poor old Minister.

Mr. Young: They will be very sorry indeed if they do after they are built up!

Hon. Mr. McKeough: Well without naming the municipalities, something like 20 per cent of the municipality, and it is a village, is an open space and the thing that they need most at this time, and they have $15,000 sitting in the bank, is a new roof on the arena. Now there should be permission in the Act for somebody to allow them to do that.

Mr. Chairman: Vote 1402; the member for Algoma-Manitoulin.

Mr. S. Farquhar (Algoma-Manitoulin): I am almost frightened to speak up; I am afraid of getting cut off at the knees by the hon. member for London South (Mr. White).

Mr. Chairman: I would suggest the member just disregard his interjections.

Mr. Farquhar: Thank you, Mr. Chairman. It has become pretty apparent, Mr. Chairman, that planning seems to be dependent pretty well on initiative from the municipalities and I am wondering if the Minister has given very much thought to those areas where there are no such bodies—in the unorganized areas of northern Ontario and other places. Specifically, I can tell him that it is very difficult to get planning interest, planning initiative and planning impetus going in some of those areas.

I might mention that the area I refer to in particular is along the north shore of Georgian Bay in Algoma and I have had some talks with his Mr. Sowa from Sudbury. I am wondering if this gentleman out of the branch in Sudbury is given the time and attention and support from the department that is needed in an area like that—or if perhaps more of his attention is not directed into the more sophisticated areas of planning needs than in that area, for instance.

Now I might mention that there have been quite a few talks with people along that area by myself, and by Mr. Sowa. There

is an atmosphere and an attitude there; there are people there that are interested in forming a planning board, but what I am concerned with now is whether or not planning is the answer or whether organization is the answer to some of these areas.

Which comes first? I will be frank to say that your representative from Sudbury feels that planning comes first and organization comes second. I do not agree in this particular set of circumstances, but I would like to have the Minister's views.

I might mention that it has become very apparent finally to those people in that area that they are going nowhere until they do get planning and organizing in municipal government, both or either one, preferably both.

I would like to ask the Minister what his opinion is with respect to what takes priority —actually what effort and what emphasis is being provided by the government, because it simply cannot come from there; it has to be provided from here, in the original instance anyhow. It is not going anywhere and it becomes particularly important now because there are developments about to take place on the north shore of Georgian Bay, and, in fact, one or two of them have already started —but that I do not need to talk about tonight.

We do not want to enter into the type of shack town development that we had there on the occasion when Elliot Lake was growing strong. We have been able to get away from it just nicely and we do not want to start again, and unless planning effort, or organizational effort with the people that are interested and prepared to take a part in it, is undertaken, that is exactly what we are going to have once again.

Mr. Chairman: Vote 1402 carried? The Minister wishes to comment?

Hon. Mr. McKeough: Yes, I have some letters from your part of the world which indicates to me that what you are saying is quite correct. It is more than just planning, it is governmental services, or services in unorganized territories. We are taking a very good look at this, particularly from our point of view of planning—but more has to be done, I would agree.

Mr. Farquhar: I would just make one brief comment and that is to the effect that the reason that the attitude is there, and the people are there to help with it and to lend themselves to organization and take some responsibility for these efforts there, is because they have very recently, on several occasions, found that they are going nowhere for the simple reason that there is nobody to vest property in. Therefore, several of the grants that are available from this government are not available to them, so there they sit in terms of recreational needs and many other kinds of needs.

Mr. Chairman: Does the Minister wish to comment further? The member for Timiskaming.

Mr. D. Jackson (Timiskaming): On vote 1405, item 8, I wonder if the Minister would just give us a little rundown on actually what these grants consist of, who receives them and how they are paid in unorganized territory?

Hon. Mr. McKeough: I am sorry, I missed the first part.

Mr. Jackson: Vote 1405, item 8.

Mr. Chairman: Item 8?

Mr. Jackson: Yes.

Mr. Chairman: That is quite in order; we are debating item 8.

Hon. Mr. McKeough: There is a decrease in the vote this year mainly because the Brunetville situation is now nearly done; the house moving is out of this vote. I think something else was transferred, but, specifically, how the $60,000 was intended to be spent is: For the tax stabilization in Kapuskasing—$40,000; and grants to designated municipalities in planning areas containing unorganized territory—$20,000, for a total of $60,000. And the director tells me, I would say this to the member for Algoma-Manitoulin, that $20,000 has not been used yet but we will be willing to talk to anybody about how we might use it. And this is exactly what you were talking about.

Mr. Chairman: Vote 1402, the member for York Centre.

Mr. Deacon: Mr. Chairman, does this vote include all of 1407 did you say?

Mr. Chairman: No, as I pointed out earlier in the deliberations this afternoon, we are dealing with vote 1402 which is the community planning branch; and also item 3 and 8 of vote 1405 which had to do with planning, and item 1 of vote 1407 which was lands, grants and payments for townsites. Those three items in the subsequent votes are included in vote 1402.

Mr. Deacon: Well, I want to make one last comment on vote 1407, sir, item one. On the matter of loans, grants and payments to provide services for townsites, namely, in Moosonee, what is the situation regarding the southern part of the townsite across the river which lacks municipal services? Some of the homes are on properly designated lots and there is no way of getting water protection to these homes at the present time.

Hon. Mr. McKeough: I am not as familiar with this situation as I would like to be. Water services will be provided on the south side this year. I saw a memorandum today which I have not had a chance to read, discussing the price which should be charged for lots—some 200, is that right?—which are now ready and which can be put up for sale. I am going up there in a month's time. I will know more about that. But, generally, things are on schedule; lots are ready.

Mr. Deacon: The Minister advised us that definitely the southern part of the town which is largely, in fact almost entirely, inhabited by Indians is now being serviced. They will be in a position to buy lots at a set cost in order to—

Hon. Mr. McKeough: Serviced this year.

Mr. Deacon: They will be serviced this year? And are there any arrangements being made in co-operation with The Department of Highways so that they can get fire protection over there? At the present time the bridge over there is such that they could not get a fire truck over three anyway.

Hon. Mr. McKeough: A meeting of the summit was held—between The Department of Highways, The Department of Energy and Resources Management, The Department of Lands and Forests, the Minister of Municipal Affairs, and the chairman of the ONR—and the bridge is being built.

Mr. Deacon: Thank you.

Mr. Chairman: Vote 1402 carried, which also carries items 3 and 8 of 1405; and item 1 of vote 1407.

Vote 1402 agreed to.

On vote 1403:

Mr. Deacon: The matter of municipal finance in this whole area of operation is one that provides a tremendous opportunity for The Department of Municipal Affairs, in that it can provide proper accounting records in an understandable form for municipalities, so that not only their members of council, not only the clerks and treasurers, not only the assessors, not only the road superintendent, but also the voters can get an idea of how well their municipality is operated.

But, until recently, I was not aware of anything other than changes being made in accounting procedures for municipalities. Nothing has been done to my knowledge yet —maybe the Minister could correct me on this—in the way of providing comparative statistics as to, in effect, the cost benefits that are being derived, comparative cost benefits, between various municipalities.

The purpose of such figures would be to let the voters and council members and others concerned see how well their municipality is being operated in comparison with others. It would provide them with an incentive, based on facts, to see just how they rate and where they might improve. What progress, would the Minister advise me, has been made by this municipal finance branch in this direction?

Hon. Mr. McKeough: Most of this actually comes under the municipal accounting branch in this same vote, just to set the record straight. Now, I think you will recall that perhaps a year and a half ago the previous Minister indicated to the municipalities what all would be done concerning municipal finance reporting in Ontario.

And most of what he said would be done—the involvement of the institute of chartered accountants of Ontario, the study group; the educational programme of the clerks and treasurers association; the statement of source and application of funds; the five-year review; new standard forms are in the process of being printed—I think nearly everything in that statement by Mr. Spooner has now been done or will be done by the end of this year.

The progress has increased, I think, in the last couple of years. I saw the forms of the new financial statements the other day; and the auditor's report—they have six columns of comparable figures and so on—and I was rather impressed with them, with my limited knowledge. I think they will be much more meaningful to the municipalities, to the councils, and to the citizens as a whole. He raised the point of comparisons and, of course, I would agree that you get into this area of assessment and equalizing assessment before you can equalize the mill rate.

I would hope if we can get all the municipalities on a comparable accounting reporting basis, then we will be in a much better position to make comparisons. Three weeks ago there was a very interesting meeting of the reporting officers of The Department of Municipal Affairs from acoss the country, some forty or fifty, meeting with the Dominion bureau of statistics people, who specialize in this area. There is very real progress being made, not only by Ontario but across the country.

Mr. Deacon: Mr. Chairman, this is a very basic tool used in industry and branch operations to obtain the greatest performance and efficiency, and actually enable those managing these operations to do the best job. They become well informed.

But one problem in examining the accounting records that the Minister kindly arranged for me to get a few weeks ago, was that they were still very complicated, and they would not provide many of the tools of measurement of performance that would be useful, such as the operation of roads—by pointing out a comparison of the numbers of miles of unpaved roads, how much is being spent per mile, the condition of the roads, according to the inspection, for the moneys being spent. This is a field in which The Department of Municipal Affairs alone can help us improve greatly our efficiency in our performance of local government.

We all know we criticize the short-sightedness in so many instances of municipal officers, clerk-treasurers, elected officials and others. But it is usually due to their lack of knowledge of the basic facts. And it is in this vote that we are dealing with now where we have the greatest opportunity to really help these people in a meaningful way.

Now one of the problems at the present time is that you are operating through so many different branches that the municipal officials are confused as to who to go to. I would suggest that consideration be given to not setting up different branches around the province—and each having different responsibilities within The Department of Municipal Affairs—but having experts located around the province who are familiar or know how to get the information required to assist municipalities in all aspects.

They would be in a position where they can travel out to towns and villages and other municipalities to provide these people—by sitting down with them—with comparative information as to how they are performing in various aspects of their operations. Then, I think, we will see a much greater response. Very few people read a report that is just mailed back to them. They just do not see it.

But if a department representative who understands the facts and has the comparative figures, goes and sits down with the council and the clerk-treasurer, I think they then will start to see the ways that they can improve their own operations. There are very, very few people in municipal government who are not as anxious as every one of us are here to give our people value for our tax dollar.

So I am looking forward to this department —even though it has to be for various reasons, diversified and broken down here, at head office so to speak—being in a much more straightforward and simple form in the way it meets with the local municipalities. It is too confusing and they are reporting that we are not enabling these people to get useful facts from the blue books.

It is not at all helpful—or very seldom very helpful—to municipalities in improving their methods of operation. I hope that the Minister will give careful consideration to changing the approach of dealing with local municipalities.

Mr. Chairman: Vote 1403 carried? The member for Grey-Bruce.

Mr. E. Sargent (Grey-Bruce): Mr. Chairman, I would like to ask the Minister—I may have missed this—have you a plan to reform the assessment base on rental capitalization programme?

Mr. Chairman: That is 1404.

Mr. Sargent: Oh, that is not this vote? Well, then, I am talking about in the area of municipal finance, under this vote. We have approximately how many municipalities —1200 municipalities under—

Hon. Mr. McKeough: There are 967.

Mr. Sargent: Well 967. And 619 of these municipalities—possibly 65.8 per cent—did not send assessment notices to tenants last year.

Hon. Mr. McKeough: This is the next vote, Mr. Chairman.

Mr. Sargent: Well, you are probably right, but how can any municipality do any financing when they do not have the proper method of accounting or assessment procedures? I would like to know when you are on this vote.

Mr. Chairman: On vote 1404?

Mr. Sargent: We are on vote 1403, Mr. Chairman, municipal finance.

We have the municipal accounting branch, finance—

Mr. Chairman: Under vote 1405, item 2—The Assessment Act is —

Mr. Sargent: I will forget about assessments. I will get on to the mechanical systems used in the book-keeping of the municipalities to determine their subsidies. By the confession of the Minister himself, things were in a sorry mess in Ontario insofar as his department was concerned.

If the Minister would like me to go over the whole bit, I will be glad to. But I would like to ask at this point what are you doing to catch up with things? Are men in the field now in each area—

Hon. Mr. McKeough: Yes.

Mr. Sargent: They are.

Mr. Chairman: Vote 1403 carried?

Mr. Deacon: Mr. Chairman, one point I did not bring up. There are some aspects of municipal borrowing and financing that I wanted to ask the Minister about.

I understand that he has in the department now, one of the foremost people in the municipal bond field—a Mr. Brown, is that true?

Hon. Mr. McKeough: That is right.

Mr. Deacon: In the comments made in this House, some people have mentioned the fact that very little money is now going—or there is a great decrease in the amount of money going—into municipal bond. The market is not interested in them and there are many reasons for this.

First of all, in the past, municipalities have been required to sell serial bonds which mature at a certain amount each year rather than term bonds with a sinking fund. This has the disadvantage that if you want to market your bonds, they are much more difficult to market. If you have term bonds with the one standard maturing date and you have sinking fund purchases, there is always a better market for them. The bond market has become very conscious of market ability in recent years and has been shunning the serial bonds that the department's regulations have required.

I understand that there is a way they can make them—they can get around this regulation and make a compromise, but it is not as good—as having straight permission for term bonds. Is there a change in legislation coming through which will enable all municipalities to sell bonds with sinking fund provisions?

Hon. Mr. McKeough: Yes, there are two things. We have this matter under study in relation to sinking funds. We are looking at this problem. Of course, the other thing I think which needs to be said is that because of the Canada pension moneys used for the Ontario education capital aid corporation—the municipalities are simply not required now to go to the public the way they formerly did. There is a chart on page 34 of the annual report which indicates, for example, that 10 years ago in 1958 the municipalities went to the public for some 88 per cent of their money, the remainder coming from provincial programmes. Today—or at least in 1967, they went to the public for only 40 per cent of their borrowing requirements.

But we do have the point which you raised, under study.

Mr. Deacon: Well I suggest that it is a good thing to have a situation where you can raise money on the public market in case these Canada pension funds dry up due to demands upon that fund on a current basis which would not permit investment in these municipalities. Through municipal securities, the private market does provide a very good test ground for the sound operation of municipalities.

One item that the Minister might consider in this matter is enabling them to have a longer term on the bonds than has been the practice in the past. Sometimes the bonds have been required to be of too short a term and have not been as attractive as they otherwise might have been.

Another matter is the importance of developing a set-up under which municipalities, instead of borrowing directly themselves, will be borrowing in the future through regional or county boards and thus have a larger unit borrowing on a larger assessment base.

Vote 1403 agreed to.

On vote 1404:

Mr. R. Haggerty (Welland South): Thank you, Mr. Chairman, I believe it would be correct to say that there is general agreement in Ontario that the number one problem about property tax is that it is too high. I think this has been shown in the basic shelter exemption tax. The first place the property tax has been called upon to finance most is the cost of services such as education which are not services to property. As a result, the property owners have been asked to bear an unreasonably large share

of the many services provided by the public —such as roads, streets and police forces.

A major problem of real property tax in Ontario is the lack of equity mainly in the determination of the tax base and, for example, the assessed value.

Although most municipalities have undoubtedly made progress in reducing the assessment and equities, considerable problems remain with municipalities. In part, this consists of the variations in the ratios between the assessed values and market values. There are differences within the individual municipality in the valuation of land, buildings, business land, sub-divided land against unsub-divided land, farm property, urban property, industrial property. Then there is the question of equity, in some parts of Ontario, of fixed assessment.

Mr. Chairman, I would like to read into the record some comments from the Niagara regional local government review on assessment procedures in the counties of Welland and Lincoln. The report is dated August of 1966:

> The following problems of assessment and finance are found within the region: (1) There is no uniform, up-to-date system of assessment administration for the whole area. (2) There is an uneven spread of taxable resources among the member municipalities. This situation, in turn, leads to (a) wide disparity in the property tax burden (when the latter is measured in per capita terms or in dollars per $1,000 of taxable assessment) and (b) wide variation in the extent to which member municipalities depend on provincial grants for current and capital expenditures. (3) There are extensive differences in debt burdens.
>
> The purpose of this chapter is to document the above problems briefly, and to suggest at least partial remedies.

And it goes on to say:

> Assessment administration: In criticism of assessment practice in the province we can do no better than quote the hon. J. W. Spooner, Minister of Municipal Affairs. After listing 12 common infractions of legal requirements, or poor assessment methods, or indifferent administration, he said:
>
> "It is safe to say that if the administration of the tax base by the senior levels of government were as inadequately administered, the nation would probably be bankrupt . . . I suggest there are three basic reasons, at the present time, why the assessment function is poorly applied:
>
> 1. Poorly trained and part-time assessors.
>
> 2. The use of outdated and inadequate assessment systems.
>
> 3. The reluctance by municipalities to appropriate sufficient funds to institute and maintain assessment efficiency."

Outdated assessment systems. A modern centralized system of assessment, known as the county assessment commissioner system, is in operation in Lincoln county. The city of St. Catharines, however, is outside the system. As a matter of interest, the county of Lincoln was the first county in Ontario to appoint a county assessment commissioner.

All municipalities under the jurisdiction of the Lincoln county assessment commissioner are assessed at 29 per cent of market values. Such uniformity is a remarkable achievement but the small size of the percentage indicates that the level of assessed value is unrealistic.

In Welland county—without an assessment commissioner system—assessed values ranged from 30 per cent of market values in Crowland township to 49 per cent in the village of Crystal Beach.

The 1954 assessment manual—based on 1940 values—is still the basic guide to valuation presently in the region. So far, there has been little active preparation to implement the new manual published by the department in 1964. Indeed, only two counties and two municipalities in the whole province have their plans for change to the new manual well under way.

Local opinion expressed in submissions. The cities of St. Catharines and Niagara Falls recommended a uniform method of assessment for the region. The city of Welland had no comment but the city of Port Colborne said in its brief:

"Assessment based on a larger area with central location in one of the larger cities would not be acceptable and would be of great disadvantage to the local taxpayer."

On questioning the Port Colborne representatives at the public hearings, the commissioners were unable to establish what this "great disadvantage" would be. Interviews conducted by the review commission in all the municipalities of Lincoln county showed great satisfaction with their centralized system.

The township of Wainfleet, in the commentary to its brief, recommended the

county assesssment commissioner system, while the townships of Crowland and Willoughby both recommended a regional approach to assessment. The village of Chippawa, on the other hand, maintained that centralization of assessment would merely add to the cost of providing the service.

And the conclusions in the brief:

(1) There is a greater centralization of assessment administration in Lincoln county than in Welland, but unless the cities join with the counties under some system, assessment administration cannot reach peak efficiency.

(2) The new provincial manual should be introduced throughout the region as soon as possible, so that all assessments will be raised to more realistic values.

(3) The licensing of assessors will soon ensure that only full time, fully trained assessors are employed. This, too, will tend towards centralized assessment.

(4) Wide disparities in the taxable resources and tax burdens of the area call for remedial action. This can be achieved by consolidating—uniting—some municipalities, and by sharing some expenditures over an appropriately large region under the jurisdiction of a regional municipal authority. Experience in Metropolitan Toronto has shown that unless consolidations take place concurrently with the sharing of expenditures of a region-wide nature, the "have" municipalities tend to benefit at the expense of the "have not" municipalities.

(5) Taxes to pay for certain services taken over by a regional authority can be levied only over those parts of the region which directly benefit from the services.

(6) Taxes to pay for certain services taken over by a consolidated municipality should be levied only over the parts of the consolidated municipality which directly benefit from the services.

(7) The dependency of some municipalities in the region upon grants in aid indicates the necessity for consolidation to form a more viable unit. It points also to the erection of a regional authority with the means to provide some of the services that are lacking.—This does not imply that we favour a reduction of provincial grants.

(8) There are wide disparities in net debt burdens. These are not necessarily a problem, and would tend to narrow if a regional authority assumes outstanding indebtedness on the assets it takes over.

These are the comments of the Mayo report.

Since Bill 44 has been passed by this House, establishing county school boards, while this may assist in achieving equality of education, it fails miserably in achieving the other goal, equity of education costs, because of the existing chaotic assessment conditions. The application of the provincial assessment equalization factors, as it is applied in municipalities today, is outdated.

The report of the Niagara region local government review commission on pages 42 and 43 refers in some detail to the serious inadequacies of existing assessment practices within the region. This is also followed up on page 65 of the report with a definite recommendation that regarding assessment throughout the region, and this includes the cities, the commission correctly takes the position that taxes for regional purposes must be levied on a completely uniform and consistent assessment base throughout the area under the proposed new provincial assessment manual.

So long as the new assessment manual is not made mandatory right across the province, there will be serious irregularities and disparities which could result in smaller municipalities paying for a larger share of the cost of education and other large expenditures of the urban centres which elected to stay out and remain with the older assessment manual or guide.

The application of the equalization formula in the assessment field is wholly inadequate—the merest stop-gap measure. Mandatory reassessment on a standard basis that includes the cities is essential and it should happen immediately so that all the taxpayers may be treated on an equal basis.

Mr. G. A. Kerr (Halton West): Mr. Chairman, just a few remarks regarding the submission of the Ontario federation of agriculture to the Treasurer and the report of the Ontario committee on taxation. This deals with assessment and I think it probably comes under this vote.

I realize, Mr. Chairman, that there is a select committee on taxation now sitting. Incidentally, I would like to make the name of this committee official as the White committee, if that is all right with the members of the House.

We have had the Lawrence committee, we have had the Price committee, the Evans committee, and I think it is only natural we should have the White committee.

Mr. Sargent: Who said they were any good?

Mr. Kerr: The OFA is concerned, Mr. Chairman, among other things, with the recommendations in the Smith report dealing with provisions of The Assessment Act as they affect farm lands and buildings.

Mr. Sargent: On a point of order, Mr. Chairman, does the hon. member have the right to name a committee?

Mr. Kerr: I think so. I will move a motion a little later if it is all right.

Mr. Sargent: What good is later?

Mr. Kerr: They are particularly concerned with the provisions of The Assessment Act dealing with farm lands and buildings. The Smith committee recommends that this special basis be repealed and also that the provisions of The Assessment Act and Police Act, providing an exemption of farm lands from taxation for certain expenditures, be repealed.

Now section 35, subsection (3) of the present Assessment Act, as hon. members know, gives some benefit to the *bona fide* farmer as far as municipal assessment and taxation is concerned. The farmers, particularly in my riding, and I am sure this applies pretty well to the rural section of, shall we say, the golden horseshoe area, close to the urban sprawl, are concerned because of the recommendations in the Smith report.

They are also concerned, Mr. Chairman, because of the large number of farm properties that are being sold to city folk at somewhat high values and, therefore, driving up the assessed value of rural property. This is certainly the case in my bailiwick, and I am sure that it is the same between here and Hamilton.

What happens, therefore, is that municipal assessors sometimes are unduly influenced by these sale values, thus penalizing the man who wants to continue to work the farm or who does not wish to sell or take advantage of high land values. Up to now, section 35 of The Assessment Act, particularly subsection 3 recognizes this, and gives the *bona fide* farmer certain considerations that he must have if he is to continue to work the farm. They are all right now; they just do not like the recommendations that may result in new legislation, but I am sure that the White committee will take this into consideration—

Mr. Sargent: White wash committee!

Mr. Kerr: —and will recommend that the Act not be changed. Now, I think that these submissions should be given a great deal of consideration if we wish to—

Mr. J. H. White (London South): I have to interject at this time to say that during the election campaign, I promised nothing, and I have kept my promise.

Mr. Kerr: Well, Mr. Chairman, if we are to continue to have a healthy agricultural industry in particularly this part of the province, then we must take special cognizance of these comments of the OFA. I am sure that the hon. Minister is aware of these comments, and appreciates the necessity of giving the same type of break that he does in the present Act. Incidentally, Mr. Chairman, I would like to say that it is hard to believe that this hon. gentleman is at this time guiding the estimates of his department for the first time. The more I listen to him, I figure that he is a veteran at this and I cannot help but take a minute to compliment him.

Thank you.

Mr. Chairman: The member for Thunder Bay.

Hon. Mr. McKeough: I would like to say to my friend from Halton West, if I may, that I am sure that the chairman of the White committee is here and he will take those things into account. I am glad to have those views on record.

Mr. White: Mr. Chairman, we did have submissions today from the Ontario federation on agriculture dealing with this and other matters and I have to say that their views were very well expressed, and made a deep impression on all members of the committee. I want to assure you, sir, and my friend from Halton West, and other members who are concerned about this important matter that the views of the association will be given every consideration by the committee.

Mr. J. E. Stokes (Thunder Bay): Mr. Chairman, I would like to ask the Minister what basis or criteria do you use for appointing chairman and members to improvement district boards? I happen to have six of them in my riding, and some of the people who happen to live under that kind of municipal governmental structure are not quite happy, and some are. I have had considerable correspondence with your predecessor, and you yourself, and on one board in particular the chairman happens not to live in the improvement district. Yet he is the chairman and the secretary and the assessor and the tax-collector—and he does not even live within the boundaries.

In another, the chairman of the district board does not attend too many of the meetings—but they do hold the meetings within the confines of the improvement district and then send the recommendations down to Toronto, where the chairman happens to reside. He looks them over, vetoes them, and if he approves, fine and dandy, but if he does not, there is nothing done about it. Now, I was just wondering what the policy of the department is that allows a situation of this calibre to exist in perpetuity. Certainly after a reasonable length of time, and without going through this long-drawn-out process of voting and having 65 per cent of those eligible to vote in favour of it, surely, the people should be given self-determination after a reasonable length of time, rather than being subjected to this sort of absentee rule, where the chairman, of the board sometimes lives hundreds of miles away and dictates the policy. If he does not happen to subscribe to it—too bad.

In one particular instance, it is my understanding that the chairman of the district improvement board happens to be an employee of the largest employer within the confines of the improvement district and I can assure you that this does not make for very good relations. This does not contribute to the kind of atmosphere that would be conducive to democracy, and the kind of participatory government that should be prevalent in all of our municipalities. I was wondering—

An hon. member: Does he work for the railway?

Mr. Stokes: No he does not. He happens to work for one of the biggest mining corporations in Canada, and I was just wondering what your policy is with regard to appointing these people? Why do you appoint somebody who is never there? He dictates the policy.

Mr. Sopha: What is he speaking of? Manitouwadge?

Mr. Stokes: Yes, and the other one happens to be the unorganized territory, in the improvement district of Dorion. Now, they have made representation to you on numerous occasions, and in that particular instance, the chairman of the board is also the secretary treasurer, the tax collector, and the assessor.

Mr. Sopha: And also president of the local Conservative association!

Mr. Stokes: No, but he is also chairman of the board of education for the city of Port Arthur.

Mr. R. M. Johnston (St. Catharines): There is nothing wrong with that!

Mr. D. C. MacDonald (York South): That is Tory democracy.

Hon. Mr. McKeough: Dealing with the last point first, he is no longer the assessor, as he has resigned from the position. I should say that I was not familiar with these circumstances, or with the matter of absences. I will be glad to take a look at both, because I think that the people involved in the improvement districts obviously should be on the spot or nearly so. I am told, and this is often the case, that there is difficulty in finding people to take these positions. You ask how they are chosen? The views of the local organizations and the views of the local members are solicited. I would be glad to have your views any time that there is a vacancy. Quite often it seems to me that we have trouble finding somebody who is obviously capable of doing the job and is willing to take it on.

As far as self-determination is concerned, we are delighted. Any time that they want to come to us and say that they are ready to stand on their own two feet, then we will offer them all the help in the world to stand on their own two feet and elect their own council. One of the ones that you mentioned, as I am sure that you are aware, is very heavily in debt.

Mr. Chairman: The member for Grey-Bruce.

Mr. Sargent: Mr. Chairman, I would like to ask the Minister if the tax basis on a graduated system is presently to be put into effect in Ontario?

Hon. Mr. McKeough: No.

Mr. Sargent: Mr. Chairman, I submit that there is a great iniquity here because we have the people who can least afford it in the province, paying two thirds of the taxes. This is a basic iniquity in the method of assessment in the province.

Hon. J. R. Simonett (Minister of Energy and Resources Management): Can you verify that statement?

Mr. Sargent: Presently, yes, in a minute. But I think that it is true. For example,

we have an old-age widow pensioner living in a little house, which, with its lot, would be assessed at about $1,800. She is largely dependent upon the old age pension, with some help from relatives and a little from other sources, ending up with an annual income of, normally, $1,000. At a 63 mill rate—take that as an average base—she would be paying out of her $1,800 assessment, about $113 taxes a year. Now, we take a man who has an income of say $25,000 a year, and he has a very fine residence assessed at $13,000. On a tax rate of 63 mills, he will be paying a total of $819 taxes a year. Now he has an income of $25,000 so he is paying $819 a year. And the old age pensioner's taxes represent about eleven per cent of her total annual income. In the second case, the man who has this big home and the big income, the municipal taxes he pays represent little better than three per cent.

Hon. Mr. Simonett: What about the income tax the $25,000-salaried pays?

Mr. Sargent: Well, we are not talking about that.

Hon. Mr. Simonett: You are talking about the taxes.

Mr. Sargent: Well, you do not know what you are talking about. You do not even know your own department, let alone this department.

Hon. Mr. Simonett: I know a little bit about taxes.

Mr. Sargent: So, you just sit back and listen for a moment; you will learn something.

Hon. Mr. Simonett: Carried!

Mr. Sargent: Now the Minister says "carried". He has a long way to go. I am telling you, Mr. Chairman, this is a very sick man if the facts come out here. In this province, we have 900 municipalities. And I will just read you the sad state you are in. A total of 154 municipalities, or 17 per cent of Ontario, have no appraisal record of any kind. How can you run a business that way? 803 municipalities, or 85 per cent in Ontario, do not use any mechanical system to prepare their assessment rolls. And he says to me "carried", with a smug look on his face.

Hon. Mr. Simonett: Do you think I am sold on the idea that mechanical devices are the only way to keep books?

Mr. Sargent: Just you hold on a moment, you will see the mess this department is in here in a moment.

Hon. Mr. McKeough: Mr. Chairman, I wonder if the—

Mr. Sargent: Mr. Chairman, I have the floor here and you have got to hear this out.

Hon. Mr. McKeough: I wonder if the hon. member will—

Mr. Sargent: I will not entertain a question here now.

Hon. Mr. McKeough: I am trying to be helpful.

Mr. Sargent: You are not being helpful at all.

Hon. Mr. McKeough: I wonder if the member realizes that he is reading from a speech relating to matters that are now four years old?

Mr. Sargent: These are figures of 1967 given by the Minister.

Hon. Mr. McKeough: Relating to 1964.

Mr. Sargent: All right, we will give you a chance in a moment, then, to qualify and tell us the system.

Hon. Mr. McKeough: I thought you would want to be accurate.

Mr. Sargent: There are 142 municipalities then, Mr. Chairman, that did not close their assessment rolls by October 1, nor did they have any extension of time. 133 municipalities, or 14.2 per cent did not prepare their assessment rolls in accordance with the Act. 283 municipalities, or 30 per cent, do not assess properties under sections 53 or 54 of The Assessment Act, to assess and collect taxes for part of the year which is a very important source of revenue for growing municipalities. You know that. But 30 per cent are not doing this.

Where is your big machinery of men to put this in—millions of dollars being lost in one area alone in tax revenues. No wonder people are up in arms and saying, "You do not know your business". Maybe you are trying to find out, but let us get on with the job and do not sit there and say "carried"

and be so smug about the job. You have got an awful mess there.

And believe me, a person who is knowledgeable about municipal finance, and has been through the bit like I have, I know you do not know your job at this point. 170 municipalities, further, did not include population on their assessment roll.

Interjection by an hon. member.

Mr. Sargent: I am not trying to sell the Minister. I could not sell him anything—

Hon. Mr. Simonett: I know you could not.

Mr. Sargent: —because you have not got the intelligence to listen. Mr. Chairman, you can talk this vote inside out and this is a most important thing; the most important thing of any operation is the cashbox of any government; the assessment department. Nothing can happen. No money comes in until you fellows do a good job. And you have a tough job. And I think you have your work cut out for you.

A total of 162 municipalities, Mr. Chairman, or 17.3 per cent, did not bother to assess or collect business tax. Many millions of dollars down the drain here. And no wonder the House is quiet to hear about these millions of dollars.

There were 619 municipalities, of 65.8 per cent, did not send assessment notices to tenants, and many people were deprived and disenfranchised of voting and school support privileges were nullified.

There were 509 municipalities, or 62 per cent, showed completely unacceptable deviations from the value norm for certain classes of property. For example, if the mean value of all property was 35 per cent of market value, then residential might read 26 per cent, commercial 45 per cent, industrial 19 and farms 39 per cent.

In every county—I go on to qualify this situation—we have a serious situation here in assessment in Ontario. You say these figures are out of date? They were in effect as of June 1967. And I do not think that with Mr. Spooner leaving things in the hurry he did, or because the people did not want him any more, that this Minister has had a chance to upgrade and pick up the pieces. I do not believe for one moment he has done that, so quit kidding the troops and tell us the facts as they are today.

You say these things have changed. I would like to know how this report has changed since this Minister has taken over. So, in this department, no matter how the Minister glosses it over with his helpers there, he has a very bad situation. We talk about the inequities in the business assessment field in Ontario—there is no change geared to the times—we have had the same pattern for years in this section, appendix A.

Mr. Chairman, do I have the right to talk about business tax under this vote? Well, it being a hot night, I do not know whether I am getting to first base or not. You could talk forever about the many shortcomings of this department.

Mr. Chairman: Order please! Vote 1404.

Mr. Sargent: I would like to ask the Minister how he assesses the fact that a distiller is based on real property and is assessed 150 per cent, and a brewer is only assessed at 75 per cent? What is the reason for not having the brewers up with the distillers in this regard?

An hon. member: The suds are not as expensive.

Mr. Sopha: Whisky is stronger.

Mr. R. M. Johnston: The corn liquor costs more than the beer.

Mr. Sargent: Why do we have people in our economy who are the top potential money-earners, such as barristers, solicitors, surgeons, oculists, doctors—a doctor up our way had to borrow $30,000 to pay his income tax last year. These people are only taxed—

Mr. Sopha: That was a quarterly payment.

Mr. Sargent: We have this special group of people only paying 50 per cent assessment on their business tax. And we have manufacturers paying 60 per cent, retail stores paying 75 per cent. But the people who have the biggest income accrue in years in this area of the professional people, you have not changed a bit, the basis of assessment on business tax to them. Now, why do you take a gold mine like a radio station and you only assess them 25 per cent?

An hon. member: Shame!

Mr. Sargent: Or the newspapers. You assess them 35 to 25 per cent, depending on population.

Mr. R. M. Johnston: Do away with it, it is only a nuisance tax anyway.

Mr. Sargent: I think this is a sad commentary. There is no rhyme or reason for the taxation geared to the times. I thank you, Mr. Chairman, for your time, but we have to get on with it.

Mr. C. G. Pilkey (Oshawa): Mr. Chairman, I understand in the legislation in regard to collective bargaining for the municipal employees, that the restriction and stifling of free collective bargaining still exists under The Municipal Act, where employees in this province are restricted to 66⅔ per cent for medical, hospital and group life insurance as far as they are concerned under the Act.

Now, this Act was amended on July 7, 1966, from the position of 50 per cent to the 66⅔. I want to say that the employees at the municipal level should have the right to bargain on all issues, all issues, not just the question of wages, vacations with pay and paid holidays and so on. They should have the right to bargain on all issues, and the only restriction should be on their inability to negotiate the maximum benefits with that municipality or their employer.

I think that for too long the municipal employees in this province have been treated as second-class citizens as far as collective bargaining is concerned. I suggest to the Minister that he ought to amend The Municipal Act again to the extent of eliminating in its entirety the question of any percentages to place a restrictive level on the question of medical, hospital and group life insurance coverage. I think that if we did that, if we eliminated that level, then we would be putting the municipal employees in this province on the same level as all other industrial workers and professional workers that have the same rights; the same free right to collective bargaining so that their objective—

Mr. Chairman: Order please! I have been trying to follow the member and relate his remarks to this particular vote. Could he explain to the Chairman exactly where he relates his—

Mr. Pilkey: Well we are talking about The Municipal Act. This is the department, as I understand it, in vote 1404, municipal administration—

Mr. Chairman: This is municipal organization.

Mr. Pilkey: Right. Municipal administration and this comes under that—

Mr. Chairman: Is the member speaking to the municipal organization and administration branch division of this vote?

Mr. Pilkey: Right.

Mr. Chairman: May I ask the Minister if it properly comes under this particular department?

Hon. Mr. McKeough: If we stretch it, it does.

Mr. Chairman: Is the Minister prepared to entertain questions and discussion under this particular vote?

Hon. Mr. McKeough: Well I think the member is probably through. I realize that representations have been made by the provincial federation of Ontario professional firefighters, the Ontario police association—the joint council of the building services union were in the other day to meet with the committee of the Cabinet and made the same requests. It is under consideration by the government. It was not part of this year's legislative programme.

Mr. Pilkey: Could I in this regard too, then, ask the Minister if he has any jurisdiction over the Ontario municipal employees' retirement system? Because again, I want to say in that regard as well, that the employees in this province at the municipal level are restricted and the legislation is stifling pre-collective bargaining. In the areas of pensions you introduce—I do not want to indicate for a moment—

Mr. Chairman: I think this might properly have been under vote 1403.

Hon. Mr. McKeough: Mr. Chairman, there is nothing in these estimates for—

Interjections by hon. members.

Mr. Chairman: Order please!

Hon. Mr. McKeough: There is nothing in these estimates about OMERS. I think it could have been appropriately raised either under vote 1401 at the most, perhaps under vote 1403, but I really do not think it comes under this vote.

But there is nothing particular in vote 1404, or really any place, where it is indicated that OMERS could be discussed here.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I am more than pleased to see that the hon. member for Oshawa has finally joined me in this request for consideration of the right of the employee to bargain for a

complete coverage of his fringe benefits because we have—

Hon. Mr. McKeough: Might I say, Mr. Chairman, that I listened to the member for Windsor-Walkerville this morning making these same comments to the Minister of Education (Mr. Davis). Could we take them as read?

Mr. B. Newman: All I wanted to do was to point out to the Minister that I hope when he considers amending legislation that he likewise informs the Minister of Education, so changes can be made in both Acts at the same time, and this was the extent of my comments concerning this.

However I would like to ask the Minister if he has completed the studies concerning the request of the city of Windsor for representation on the board of the Sandwich, Windsor and Amherstburg railway? I notice that the municipality had asked for representation quite some time ago. In fact, this is an old problem and has been kicked around in council I would say for probably 10 years now. However, earlier this year the Minister informed council that he would study the problem and then make a report and—

Mr. Chairman: Does this come under another vote—vote 1406?

Mr. B. Newman: No. This was brought up in another year and it was under vote 1404, Mr. Chairman.

Mr. Chairman: Of course the details change. I am asking the Minister where it would properly—

Hon. Mr. McKeough: It should be under vote 1406, which is the Ontario municipal board. However, to answer your question very frankly, it is true I wrote to the clerk of Windsor—I think in March—and said that I would look into this matter. The staff, I understand, are about ready to report to me. So I have not yet completed the study.

Mr. B. Newman: Thank you.

Mr. Chairman: May I point out to the member that under vote 1404, which is administration and assessment, there is the item in vote 1405, The Assessment Act, which would properly be included under this particular debate—this discussion.

Mr. B. Newman: May I ask the Chairman then, where I could discuss municipal elections?

Hon. Mr. McKeough: Now.

Mr. B. Newman: Now?

Hon. Mr. McKeough: Right now.

Mr. B. Newman: Thank you. May I ask the Minister if he is giving any consideration to having a standard date throughout the province when we have a federal election? The elections across Canada are on one day. When we have a provincial election throughout the province it happens to be on a given day, why not municipally, Mr. Chairman?

I could read to you an editorial as presented by the radio station CKWW suggesting that you consider having a set date throughout the province and that be the date for municipal elections. In this way interest could be created at the one time throughout the province and you would probably have a better turn-out of the electorate.

They would express their democratic privilege by casting a ballot on a given date. By having it as it has been in my own community—one area of the city having their elections on a Monday and the city proper or suburb having it two days later or two days earlier—does not lend itself to good citizen participation in the democratic light and I think that consideration should be given to, if possible, standardizing a municipal election day in the province.

Hon. Mr. McKeough: Mr. Chairman, might I just say that the views expressed by the hon. member for Windsor-Walkerville are practically my own. The situation is complicated somewhat because we have staggered terms, two-year terms, three-year terms. So it is not just as easy as it sounds. The other thing is, I suppose, perhaps in many ways the matter is now settled for many municipalities because of that particular section of Bill 44.

Mr. B. Newman: Well, Mr. Chairman, I can understand the fact that if it is staggered you cannot do it—but let us say the first Monday in December or the first Wednesday in December all across Canada.

Hon. Mr. McKeough: Well this, of course, is what Bill 44 says. I doubt whether any municipality would have two election days.

Mr. B. Newman: The Act could be amended so it could have one date though.

Hon. Mr. McKeough: Can you imagine any municipality that is going to have its school board elections on the first Monday and then have another separate election day, let us say on the second Monday?

Mr. B. Newman: No. I am simply asking—in co-operation with the Minister of Education—

Hon. Mr. McKeough: I think it is settled.

Mr. B. Newman: Thank you.

Mr. D. M. De Monte (Dovercourt): Mr. Chairman, something has come up recently because of the federal elections and certain members of the councils in the city of Toronto being elected to the federal House. I am wondering whether the Minister is considering setting down the rules when a ward becomes vacant or an alderman retires or a controller retires, somebody else is placed in his position by the electorate.

I understand now that the city council can appoint somebody to sit in a vacancy. I think, with the greatest of respect, that this is grossly unfair and not in keeping with our democratic process. I am wondering if the Minister is considering either amending The Municipal Act so that there could be a by-election when a seat becomes vacant, or whether the rules for councilmen selecting a successor should be set down? I am suggesting that either the runner-up be appointed by city council—and this should be set out in the law—or a by-election should be held to fill a vacancy in the city council. I would like to ask the Minister whether he has considered this in view of what has transpired recently?

Hon. Mr. McKeough: I answered a question about this in the House the other day. I suppose there are two things to be said. One was that we amended The Municipal Act this year so that in all elections the runner-up need not be appointed. We made our views known then as a government on that particular score that the council could appoint whoever they wanted and I think that would be some indication at that point in time of the government's thinking and of government policy.

What I said the other day was, in reply to a question, I think, from the hon. member for Riverdale, that I had not as yet been asked by the city of Toronto for what you are talking about—for by-elections—that it was not in my view possible at this session of the Legislature, nor to my knowledge was there any request from any municipality, or any municipal associations, for this kind of legislation. I think before I made a precipitous answer and expressed a view or tried to express the government's view on this, I would like to see what the municipalities across the province think about it.

Mr. De Monte: Mr. Chairman, on the same point, may I ask the hon. Minister, through you, why the government said the runner-up need not be appointed? Is there a reason for it?

Hon. Mr. McKeough: Yes, we debated that on second reading.

Mr. Chairman: The member for Yorkview.

Mr. Young: Mr. Chairman, I would like to come back to the matter raised by the hon. member for Windsor-Walkerville, the matter of civic elections. There was a very fine study by the bureau of municipal research in May of 1968. What they point out here is that actually the myth of greater interest and accessibility on the part of the citizens of local government is a myth—that actually there is more participation, the higher up you go in the scale of government.

One thing that is pointed out here is that likely, and I think this is true, if we get regional government, then the people will have far more interest in elections because they are bigger than most local elections we have now.

Mr. Sargent: What regions are they?

Mr. Young: Regional municipal government.

Interjection by an hon. member.

Mr. Young: No, no. I think this Minister is going to bring it and we already have two of them set up in Metro Toronto and in Ottawa. But in addition to what the hon. member for Windsor-Walkerville had to say about uniformity of days in elections, I would like to see the Minister examine very carefully the possibility of setting the election date ahead, a little bit toward the warmer weather. Any of us who have gone through municipal elections know that sometimes the process of winning municipal office can be pretty brutal, particularly when cold weather sets in late in November and early December. I think the idea of the early December election was generated because of the lame duck nature of council, that is, during December councils cannot vote money and obligate the future council, although lame duck councils will carry on other business.

Now that was all right with one-year terms, but when you get three-year terms, you could set your date of election back to the first of November, or even mid-November, and still not have, over a period of time, any more months of lame duck councils than you used

to have with the one-year term. This would add greatly, I think, to the effectiveness of electioneering in the municipal field. It would also, I think, generate—

Hon. Mr. McKeough: That, of course, would make it very difficult to standardize the election date, because I say to you that the small municipalities who are on a one-year term would not want to deviate from the December date.

Mr. Young: All right. I am not advocating that at the moment, but as we pass to regional government, the legislation, I think, could be framed as we approach regional government as three-year terms. This may be the carrot for a three-year term. That, as we get the three-year term, the election date then goes back to, perhaps, mid-November or early November. This could work out, I think, to the benefit of municipal elections and I give this free advice and free suggestions to the Minister.

Mr. Chairman: The leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, the matter of municipal elections has been raised and the hon. member for Dovercourt brought the subject of the by-election possibility to the floor of the House a few months ago. This is going to be a continuing problem, not just the one that faces Toronto at the present time. Although this, I suppose, would be of some importance when we realize that Toronto does have the three-year term and that any statement of policy by the Minister now could be fulfilled by legislation later this year.

There is every expectation there will be a fall session and I can say to the Minister, Mr. Chairman, that any statement that he would make along those lines, calling for a by-election and indicating that we would be prepared to offer this legislation before the end of this year, we Liberals would support. I believe this is the very best alternative to the situation that faces Toronto and faces many of the municipalities, and might face them at any time.

I hope that the Minister, if he is waiting for the municipalities to approach him for this amendment, will take the first step and approach them, to see what the view would be.

Mayor Dennison, apparently, has said recently that the Legislature just concluding its session now would not have an opportunity to enact such a regulation, or such legislation, until 1969. Of course, this is not the case. We are expecting a fall session and I think the Minister could make an indication now as to his intention, which might clarify the situation.

Mr. Chairman: Vote 1404? The member for Sudbury East was really on his feet first. I should point out that he did not address the chair, but he was on his feet.

Mr. E. W. Martel (Sudbury East): Thank you, Mr. Chairman. In the field of company towns I assume that the residential tax is paid by the company and therefore it would be advantageous to have the mill rate as high as possible, would it not, Mr. Minister? If you could do this, then the rebate would be a great deal higher and the mayors and reeves in the area I come from are a bit upset about this.

Just on the 1967 figure we see the town of Lively, with a mill rate of 57.35, and then you compare it to Chelmsford which has a mill rate of 31.38, and Haileybury, 32.26, and so on down the line. There seems to be a bit of discrepancy here in towns that are approximately the same size and I am wondering if the Minister is at all suspicious that the mill rate might be deliberately jacked up in order to get rebates; and secondly, I am wondering if the Minister could give me the mill rates for the towns of Levack, Onaping and Lively for 1968.

Hon. Mr. McKeough: I will get them for you, but I have not got them here. I think we can get them, if the mill rates are set. No I am not suspicious, because, in part, this is taken care of in their equalizing factor and unless they are levying for a great deal of money they do not need—it would not work out that way. I mean their mill rate might be 200 but it would depend on their basis of assessment.

Mr. Chairman: Vote 1404; the member for Grey-Bruce.

Mr. Sargent: Mr. Chairman, I hate to leave this assessment before I get them fixed in my mind what is going to happen in the future. I mentioned the fact that, because of the present system, we have a great inequity insofar as a certain group of the people paying —the fact is, that a low third of our income group is paying two-thirds of the taxes.

I would like to suggest to the Minister that the same principle as applied to the income tax graduation at the federal level could be used as a base in the Ontario assessment field for residential and farm property and I would

like to throw this out to the Minister for his consideration—that a maximum tax of 20 mills on the first $2,000 of assessment, a maximum tax of 35 mills on the next $1,000 of assessment, and a maximum of 40 mills on the next $2,000, and thereafter no ceiling, hereby we have a graduation of people who can at least afford to pay the same basis we pay our income tax on.

This would be what you are trying to do in the basic shelter agreement. You are trying to get at these people. Unless you are going through this whole operation to ensure giving them back a shelter grant, you could circumvent that by having a graduated form of assessment for these people. This covers all the bases pretty well for the people we are most concerned about.

But I am, as usual, confused about the matter of the regional government. You say that "no, the regional government is not in the hopper," as it were. Now my friends in the New Democratic Party say I use a lot of base. I do not know who knows what is going on. I sure do not, and my friend from Kent (Mr. Spence) does not know what is going on. You said "no" to him, and you say—but Don O'Hearn says in his column—

Mr. Chairman: Order. Is the member discussing this vote?

Mr. Sargent: I am talking about regional government. I do not know how we got into that bit there.

Mr. Chairman: I should say to the member he is speaking of regional government.

Mr. Sargent: A minute ago they were talking about regional government and they got by. There is one question I want to find out about.

Mr. Chairman: Not while I was in the chair!

Mr. Sargent: Come on; just a second.

Mr. Chairman: No discussion of regional government. We are dealing with assessment.

Mr. Sargent: Okay!

Mr. Chairman: Vote 1404; the member for Thunder Bay.

Mr. Stokes: I have a brief question I would like to ask the Minister, Mr. Chairman. Is it, in fact, true that a tenant can be disenfranchised in a municipal election; that is, prohibited from voting in a municipal election because the landlord does not pay his taxes? Now, in one municipality up north I am told there were people denied the vote because the landlord was in arrears in his taxes?

Hon. Mr. McKeough: I would be glad to look at the particular situation, but no is the answer.

Mr. Sargent: Mr. Chairman, on this election bit. Do you plan to legalize the use of voting machines in Ontario? Municipally, the use of voting machines?

Mr. Chairman: The Minister will reply to the question?

Hon. Mr. McKeough: There is a committee of the clerks and treasurers association looking at election procedures. Not so much election policy, but election procedures including, I assume, in fact I am quite sure, voting machines. We are represented on that committee. I have been giving some thought to expanding the area that they are looking at and when they report I will be able to confirm.

Mr. Sargent: Do you have to go through all that? Can you not just say yes or no?

Hon. Mr. McKeough: No. I cannot say yes or no.

Mr. Chairman: Vote 1404.

Mr. Sargent: Mr. Chairman, on the same election bit. Most of us have gone through a lot of the elections, and a very frustrating thing on election day is the fact that people in nursing homes cannot vote. I think that somewhere in the hopper you should have a mobile clinic—a mobile polling booth that could visit nursing homes so as to enable these people to vote. Have you thought anything about that?

Oh, come on. I am asking you a question. Do you not know the answer? What is going on?

Hon. Mr. McKeough: I will be glad to take that under consideration.

Mr. Sargent: That is mighty neighbourly of you. Waken up and let us go.

Mr. Chairman: Vote 1404. The member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Chairman, the city councils of Oshawa and Windsor have asked the Minister to consider amending present legislation to provide that hospitals be eligible sites for polling booths

at provincial and municipal elections for the convenience of patients. Has the Minister considered this matter?

Hon. Mr. McKeough: In my experience, in my community, in many cases the hospitals are used and nursing homes are used. In some cases they are not because there simply are not the facilities there. Again we are looking at some of the mechanics, and I hope that we can come up with some answers.

Mr. Sargent: What do you know the answer to?

Hon. Mr. McKeough: That was a double-barrelled resolution, as you are aware. I think the provincial select committee, when it is reconstituted, is going to look at some of those things, and I think it is very important that the procedures that they recommend carry over into the municipal field.

For example, voting machines. If they recommend the use of voting machines, which incidentally I have just found out are authorized by The Municipal Act—section 74—I did not realized that, if they recommend them, then I think it would be logical that we would try and push them municipally so that there was a greater use of them. We would have to figure some sort of ownership of them, work them back and forth. I think it is important that we work together municipally and provincially and, hopefully, federally, in this area.

Mr. Chairman: Vote 1404. The member for York Centre.

Mr. Deacon: Mr. Chairman, the Minister in replying to my colleague for Windsor-Walkerville in regard to election dates said that provisions in Bill 44 would automatically bring municipal elections into line with a standard date. I cannot see where there is any provision here that municipalities have to hold their municipal elections on the same date as the elections for the school board? Has the Minister a separate Act which brings this in?

Hon. Mr. McKeough: What I am saying is that you have Bill 44 saying that the school boards will hold their elections on the first Monday in December. Now, can you imagine any municipality for the municipal election, or the utilities elections, the elections which they run, having them on any other date but the first Monday in December when the board of education are going to have their election. I think the matter is settled for us.

Mr. Deacon: Mr. Chairman, unfortunately I can imagine and know one or two cases where this will occur. But if it does occur, it may be necessary for the Minister to consider, and I hope he will consider, bringing in an Act which will standardize the date and standardize the terms to two-year terms, so that we automatically will then be brought into line, not just hopefully so.

Hon. Mr. McKeough: Not a three-year term?

Mr. Chairman: Vote 1404. The member for Waterloo North.

Mr. E. R. Good (Waterloo North): Mr. Chairman, I have two matters on which I would like the Minister's comments. The first deals with the problem of municipalities in which universities are located, and the other deals with the matter of regional assessment.

First, I would like to mention that the city of Waterloo has a population of 32,000 and has an additional 10,000 university students. While the relationship between the city and university has been harmonious, the disputes of any consequence have been non-existent. The universities have had a basic understanding of the financial problems facing the municipality and have attempted, wherever possible, to alleviate the situation.

They have arranged for their own garbage collection, pay a sewer surcharge based on water consumption, security police, and matters of that nature. However, in spite of this spirit of co-operation which has prevailed for many years, there is growing evidence that the relationship is becoming strained by virtue of the declining industrial assessment balance and the more than normal mill rate increases.

This is a problem which has existed in the city of Kingston for a good many years. It is fast becoming a very major problem in Waterloo, with the large university student population. It is a problem in other municipalities of medium and smaller size which house large universities.

Our present industrial assessment declined from 60 per cent to 46 per cent in 1962 and is presently down to 40 per cent. An increase in the residential mill rate of 8.5 mills this year far outpaces any increase in the past. We find ourselves fast becoming a dormitory community, in spite of the fact that we are very proud to have the universities in our midst.

There is also evidence that the use made of the campuses is changing to meet today's requirements. Construction is now under way of a building for married quarters. This

development will certainly generate an elementary school population from current tax-free residences. That means that the city will be educating the children of married people who are living on the campus.

Approval was recently granted to locate a chartered bank on the university; there is application to locate taverns, student union buildings, book shops and facilities for everything else that could be sold in any shop or store in the community.

This is all in competition to local business and is on non-tax generating property. The city of Waterloo endorses the idea that in lieu of assessment some grant should be made from the provincial government to these municipalities who are suffering this tight squeeze.

Would the Minister comment on this first, and then I would like to pursue my other problems.

Hon. Mr. McKeough: Mr. Chairman, we have had representations—at least I have—from Kingston and another university town directly; Guelph were in to see me. I referred this matter to the Provincial Treasurer. Smith, of course, recommended that universities should not be exempt from taxation, and this is one of the things which is being looked at by the task force—

Mr. Good: This I am aware of. What is the Minister's view?

Hon. Mr. McKeough: My view? Well, I have made my views known through the medium of the task force, through the Provincial Treasury and, of course, my view will be reflected undoubtedly in the white paper which the government will present.

Mr. Good: Well, what does the Minister feel? I mean, does he feel there is some relief coming?

Hon. Mr. McKeough: Well, I think in due course when the white paper is published, you will have the benefit of my views.

Mr. Good: In the meantime, we blunder blindly on not knowing what to expect.

Mr. Sargent: That is a perfect answer.

Mr. Good: May I pursue another matter, Mr. Chairman?

Mr. Sargent: That is the statement of the year.

Mr. Good: The other matter I would like to pursue is one which I heard discussed at great length at the hearings, and it has to do with assessment. This thought was put forth and discussed at the regional hearings under Dr. Fyfe, and this was in the matter of assessment that the two books known as "Appraisal Notes for Assessors" and "The Assessors' Handbook of Cost Factors," produced by The Department of Municipal Affairs, be made mandatory throughout the province. They would, of course, create more uniformity locally and much improved equalization of assessments provincially.

It was stated there to Dr. Fyfe, at the hearing, that an assessment programme carried out on a county basis would be better than one which is carried out by the separate municipalities within the county. It was also stated that a regional office for assessment would also be better than the present system of a county doing their own assessing along with the 12 municipalities. The cities of Kitchener, Galt and Waterloo are doing their own assessing.

I remember Dr. Fyfe asked those there what they thought of the provincial government looking after the assessing and this thought was projected and discussed for some time. It was felt then that the only way that assessment can be improved upon locally and provincially is to make mandatory, throughout the province, the use of those books and take the assessment function out of the hands of local level governments and set up regional or county areas under the jurisdiction of The Department of Municipal Affairs assessment branch.

In setting up this type of operation, you would have, in the county or region, a nucleus of well-staffed and qualified assessment personel to carry out a proper uniform and equalized assessment programme on a large scale. This would also justify the use of up-to-date data processing equipment and all assessment notices and assessment rolls would be the same throughout the area. This, I believe, is what the government would be accomplishing by doing this. By pooling all the assessment personnel in a certain area, it would leave key personnel available to assist in similar assessment programmes throughout the province.

This, then, would result in a more uniform wage schedule for all assessment personnel and, by setting up assessment on a regional or county basis, if it were under the direction of the assessment branch of The Department of Municipal Affairs, it would then take off any political pressures which might now exist in the local assessment departments.

I would ask the Minister what his comments would be on this type of assessment.

Hon. Mr. McKeough: Well, I would have to give the member the same reply, but I do not want to beg his question. Smith made some very interesting and factual statements about our assessment practices in the province. I think members will realize there have been great improvements in the last ten years. I think there have been great improvements since Smith obviously wrote those sections of the report. My friend, the member for Grey-South, has quoted a great chapter of Smith and, in particular, quoted a speech which Mr. Spooner made in 1964. There have been remarkable—

Mr. Sargent: In 1967:

Hon. Mr. McKeough: There have been remarkable improvements since that time, but I do not think there is any question but that we have to go much further. Smith has suggested certain ways of doing it; Dr. Fyfe has suggested ways; the department has views—

Mr. Sargent: Can the Minister name those ways?

Hon. Mr. McKeough: There is no question in my mind that we are going to have to improve our practices; the municipalities have it in their power to do it and we have provided grants. The practices have not improved as much as we would like to see them improve. I am not critical of municipalities; there is nothing more painful to a municipality than a re-assessment. Many of us who have been in local government — I think when we were in local government, we put the matter of re-assessment as far away in our minds as we could.

Mr. Sargent: But you had to do them.

Hon. Mr. McKeough: Because undoubtedly some people's taxes—a great number—would go up. Some would go down. But certainly it is necessary and desirable—to achieve equity in assessment, and I would hope that with the recommendations of Smith, the views of the task force and the select committees, we can move ahead. I hope we can move ahead in this field more quickly than we have in the past and achieve some real equity in a reasonable period of time.

Mr. Good: Mr. Chairman, does the Minister have any plans for the immediate future of unifying assessments, say, within counties, where—

Hon. Mr. McKeough: This has been done in—I do not know how many of the counties.

Mr. Good: But the large cities are still outside.

Hon. Mr. McKeough: That is right. Thirty of the counties, I believe, or 33, are now on a county basis.

Mr. Good: Has the department any plans for getting the cities in the county assessment?

Hon. Mr. McKeough: Not particularly, but we encourage this. We have particularly encougaged it in the districts. Port Arthur came in but Fort William would not come in in the district of Thunder Bay. We encourage this.

Mr. Good: Well, you have Ministers over there, like the Minister of Education, who says, "You go in, you do it". Now, if you think a thing is good for an area, do you not think you should exercise a little persuasion?

Hon. Mr. McKeough: Persuasion, yes.

Mr. Sargent: Mr. Chairman, I am not clear on the fact that the Minister made the statement that the municipalities could move themselves on assessment. I do not know how far he will allow them to move, but I would like to suggest that the rental values will be the only answer so far as the needs of today are concerned. The only real value, I suggest, of any building or land is the income, actual or potential, which it will produce and that in the case of residential, commercial and farm property, the capitalized rental value on a 10-year basis is a proper assessment.

Very briefly, I want to say that I believe that such rentals are more sensitive to change in conditions of today within any municipality and I am talking of cities primarily. Thus they will more quickly affect the assessment rules. This, in effect, will do away with the levying of business tax, if you institute this capitalized rental value system. You have it adjusted between the various members of each section in our communities. I know there has been some attempt at the use of rental capitalization in the so-called manual system of assessment which is largely used now.

Unfortunately, the rental factor in the manual system of assessment has little or no

relationship to the rents today. But I would like to suggest, Mr. Chairman, that the statute currently invoked now should be amended to make rental capitalization the only, or the least principal factor in arriving at valuation, and that such rentals must be the actual rental of the premises where there is such a rental in force. If we could institute this system, we could do away with the levying of business tax because there is certainly a great area to get rid of the inequities on the business tax system today in Ontario.

Mr. Chairman: Vote 1404? The member for Cochrane South.

Mr. W. Ferrier (Cochrane South): Mr. Chairman, in one of the townships in my riding, the township of Whitney, there are two provincial institutions. There is the new Ontario hospital and across the road there are about 100 and some acres set aside for a community college. The township of Whitney has a small population and these two choice pieces of land are no longer subject to taxation. They are not putting any taxation back in the township at this point. I wonder if the Minister's answer to the hon. member for Waterloo North concerning universities would apply to this same situation, that this will certainly be taken into account to help a smaller municipality like this.

Mr. Chairman: Vote 1404 carried—that also carries item 2 of vote 1405, which was the subsidies under The Assessment Act.

Vote 1404 agreed to.

On vote 1405:

Mr. Sopha: Mr. Chairman, I direct my remarks to item 2, The Assessment Act—

Mr. Chairman: Item 2 has just been carried, I would say to the member.

Mr. Sopha: Item 2?

Mr. Chairman: Item 2 of vote 1405. The Chairman indicated this to the committee quite some time ago that we were also debating—

Mr. Sopha: I thought you said item 3.

Mr. Chairman: No, this was carried under vote 1402.

Mr. Sopha: Items 3 and 8?

Mr. Chairman: Items 3 and 8 were carried under the community planning branch.

Mr. Sopha: Yes.

Mr. Chairman: We were dealing with vote 1404 which is municipal administration and assessment, and item 2 under vote 1405 was—

Mr. Sopha: Well may I have your leave? I did not understand that. I held by remarks back deliberately not participating in the debate because I want to raise a matter under that as the Minister well knows that is not repetitious of anything that has been said.

Mr. Chairman: Well I believe—

Mr. Sopha: And I was just unaware, so I I beg your indulgence.

Mr. Chairman: I do not think under the circumstances that Chairman has to go by the book because I am not sure the member was here and—

Mr. Sopha: I was not here.

Mr. Chairman: —he did not participate in the debate on assessment, I think it is fair to permit him—

Mr. Sopha: Right.

Mr. Chairman: I think it is fair to permit him.

Mr. Sopha: Thank you very much.

The Assessment Act, Mr. Chairman, that I direct my remarks to is the euphemism that covers a multitude of sins. Formerly, until couple of years ago, the moneys—the $10 million plus that you see there used to be described in the estimates of this department as grants to mining municipalities. Now, for reasons which were never revealed to me, a year or so ago that was changed to encompass it under The Assessment Act and that refers of course—those grants as you may recall—to the exemption from municipal assessment the mining companies enjoy.

You are aware, Mr. Chairman, that like the rest of us in the province, like any other form of enterprise, like any other individual taxpayer, I think mining companies enjoy an immunity and an exemption that is not reflected anywhere else in the life of Ontario. I want to say at this point—and I measure my words very carefully—that all the paeans of phrase that the Minister heaps upon J. Wilfrid Spooner, his predecessor, as he did at the opening of his estimates, it is very germane to say in respect of this vote, that I would have to add a qualification to those exhortations of the Minister. Wilfrid Spooner, throughout his political career and, particularly, when he held the high office of Minister of Municipal Affairs was, in short, never a

friend of Sudbury. He was not a friend of Sudbury and it was with some measure of relief—

Hon. Mr. McKeough: Mr. Chairman, on a point of order: I did not object to going ahead and dealing with The Assessment Act. It was carried under vote 1404. If we are going to talk about these things—I think it should be said the member has said these things for three or four years and made attacks on Mr. Spooner. I read them the other day on how Timmins was better treated than Sudbury. Frankly, it seems to me when we are breaking the rules and going back on a vote, we do not have to listen to the stuff that we have listened to for the last three or four years.

Mr. Sargent: Who are you to say that?

Hon. Mr. McKeough: Moreover I would say, Mr. Chairman, that we all know—I am not familiar with the payments under this Act, the mining revenue payments—

Mr. Sopha: You will be when I finish.

Hon. Mr. McKeough: We know very well that Mr. Smith made recommendations—

Mr. Sopha: You will be when I finish.

Hon. Mr. McKeough: They are over in Treasury now. The basis of them will undoubtedly be changed and I think that we are wasting a great deal of time. I think that we are doing so as a favour to this member and I do not think it is in order.

Mr. Sopha: Well I want no favours, Mr. Chairman. As the member for Sudbury, I do not want the people of Sudbury to think ill of me for accepting a favour.

Mr. Chairman: Just a moment. May I ask the member to wait a moment? There has been a point of order raised. The member for Sudbury was granted the privilege of speaking for a few moments on item 2. The Minister suggests—well perhaps we should go on to another vote.

Mr. Sopha: Well I insist on my right to speak.

Mr. Chairman: Well the member was given the privilege, after a vote had been carried, of speaking.

Interjections by hon. members.

Mr. Chairman: The Chairman gave the member the privilege of speaking, since he had not spoken before on this particular vote and he wanted—

May I speak to the member and to the House, please?

Mr. Sopha: Oh, are you speaking to me? Forgive me, I did not realize that.

Mr. Chairman: The member's sarcasm is superb, of course. I suggest that he continue and if he has new material that has not been given on this subject that he do so in as brief a time as possible.

Mr. Sopha: I put away Mr. Spooner by saying one sentence: That I hope his successor will approach the city of Sudbury in this regard with a good deal more fairness than Wilfrid Spooner ever demonstrated to it.

The formula under which the grant is paid, the $10 million, that portion of it that goes to mining municipalities—it was never an accident that it was invented and supported in Kirkland Lake. One observed last week that, when the mayor of the city of Sudbury, in the latter days of conversion advocated the taxation of smelters, the payment of municipal taxes by smelters, the reeve of Kirkland Lake —Teck township was so gracious to say that Sudbury might support the taxation at the local level of smelters—an injustice that has been perpetrated for half a century in permitting them to escape. An injustice that finally in Sudbury has riled the citizens to anger out of the frustration of being done out of what is rightfully theirs.

I say to the reeve of Teck township that I hope in the fullness of time, when this injustice is corrected that it will not any longer, as it has in the past, be a determinant of the attitude of Teck township toward the taxation of mining companies.

The member for York South was quite right, I say, in chastising me as he has done. He is quite right, and I admit it, that in the earlier years when I came here—and I make the ninth annual speech on this, I hope they note that in Sudbury, this is my ninth annual —the member for York South was quite right in chastising me that in the earlier years of my stewardship here I advocated an increase in the grants under this item.

I advocated it because my conduct was compatable with the mendicant attitude, the begging attitude, of successive municipal councils who came to Wilfrid Spooner's door, with hat in hand, to ask him to give them more money. That is why my conduct was such. But finally it dawned on me that that

was not going to produce results and I changed my attitude. In the last three or four years, I have consistently here advocated the repeal of section 35 (5) of The Assessment Act.

Indeed last year I put a bill on the order paper in this House, spoke to it, but it was talked out. Then lo and behold, if you are patient enough, when you are speaking for what is right and just, eventually if you are patient enough justice will come your way. On February 28 this year, glorious day—one to be remembered—the International Nickel Company itself came forward with its brief to the Smith committee and advocated itself that they pay municipal taxes.

So I went to a meeting of municipal officials. All the municipal officials in the Sudbury district convened around the month of April. I went to that meeting with my face hanging out. I was so bold as to say to them that so far as I knew there were two groups and one person who advocated that Inco should pay municipal taxes—the chamber of commerce, Sopha and the International Nickel Company.

Mr. Sargent: Not the Minister of course.

Mr. Sopha: The International Nickel Company. Now, it ought to be added that finally —it is to be hoped in the fall session of this Legislature—that this department, this Minister, will bring in the necessary legislation to repeal the inequity of that exempting section that gives mining companies a special privilege as against all other people in the province, in that they do not have to pay municipal taxes.

There is one other aspect that I want to put into the record before that day comes—before Armageddon arrives—before we see the dawn of Utopia. I want to give full credit to the chamber of commerce in Sudbury on this very point.

The Premier of the province one day came in here and he announced the increase in grants under item 2 two years ago. They made a small and niggardly increase in the amounts allocated to mining companies.

I well recall that it was very pertinent that when he announced the increase in Sudbury —which was about three-quarters of a million dollars—when he came to that, he read down the whole list. It hurts the Minister's sensitivity to note for Timmins theirs was doubled; Sudbury's went up a third—it hurts him to refer to that.

When the Premier announced Sudbury's increase I leaned across my desk and I uttered two words to him. I said, "Not enough." He stopped and he looked, that ungrateful wretch across the way sitting in the Opposition. He made a comment about my ingratitude, but I have never walked down the streets of Sudbury and met a person that ever taxed me about those two words. The only comment I ever got about the increase the Premier made under this grant was: "Elmer, you are right".

Now, that grant, that increase, came out of what was known by another term, the Clasky committee studies, and in relation to that committee—I want it recorded here so the picture will be a total picture—that on September 23, 1966, while that committee was sitting the chamber of commerce wrote to the Premier and I put one paragraph in the record. The president of the chamber of commerce, Fernand Gratton – now Judge Gratton of Nipissing—said this in the third paragraph:

> However we are very seriously concerned about one aspect of the committee's terms of reference.

That is the Clasky committee.

> Our board of directors have studied them very closely and are unable to establish clearly that our proposal for assessment of mining properties on a regional basis as outlined in our brief, is to be fully studied as an alternative source of municipal tax revenue for mining municipalities.

Now, that is the very guts of the problem. That deals with the question as a matter of principle. Should mining companies pay taxes like everybody else? That is the principle behind it.

Now, let me say in regard to the principle that on February 6, after I was re-elected to this House for the third time to represent my community, I held a public meeting in Sudbury, and I announced that public meeting in the press in an ad which I paid for myself. I hired the hall, advertised on radio, bought the ad in the newspaper. I was chairman, and the meeting was the first one in the history of politics in Sudbury that ever began on time. It began sharp at 8 o'clock. The ad for the meeting said this:

> Elmer W. Sopha, MPP, invites all interested persons to a public meeting to discuss the important question of contribution to the cost of municipal government by the mining companies in this area.

It was a cold winter night, about 65 people showed up, but they were the cream of the

crop those 65—trade union leaders from united steel workers. Mancini was there, Seguin, and other people from the union; architects, planners, municipal councillors, one person from Inco.

They all showed up and we discussed one subject. We discussed the principle of whether mining companies should pay taxes like the rest of us, and there was not a scintilla of disagreement. No person at the meeting expressed any disagreement with that principle. So you can see the concern of the chamber of commerce that that matter should have been studied by the Clasky committee. The Premier replied to that letter on October 6, 1966, and his last paragraph says this:

> However, to preclude any possible misunderstandings, I shall make a special point of again advising the committee that your proposal falls within the terms of reference.

That is clear. There is absolute clarity about what the chamber requested and the Premier's reply in his direction to the committee. But the facts of life were that that committee did not study that problem. It never did report on that problem of the liability for taxation of the mining companies.

After their report was published, the displeasure of the chamber of commerce at the failure to report on that very important subject was expessed in a letter to the Prime Minister which said this—

Mr. Chairman: I wonder if the member would permit the Chairman just a moment.

When the Chairman left the chair just a few moments ago, we had passed vote 1404 and the Chairman thought that the committee clearly understood that item 2 of 1405 was included in the debate.

The member for Sudbury suggested to the Chairman that he was not aware of that and the Chairman permitted him discussion on vote 1405, item 2, which is subsidies to The Assessment Act.

Now, the Chairman would just like some assurance from the Minister that the remarks of the member for Sudbury are in fact related to subsidies, grants and so on, under The Assessment Act on item 2.

Hon. Mr. McKeough: No, they are not, Mr. Chairman, because we are talking about how—

Mr. Sopha: Oh yes they are!

Hon. Mr. McKeough: Well, all right, you give the ruling then.

Mr. Chairman: Now just a moment. I did extend a special privilege to the member due to the fact of his misunderstanding on what the Chairman had submitted, and I do not want him to revert to vote 1404. I am sure he does not intend to, but I want some assurance because I cannot just determine if he is specifically talking on the right track on item 2 of vote 1405.

Mr. Sopha: Will you accept my assurance they are? No question about it. I give my assurance as an hon. member of this House.

Mr. Chairman: I have no doubt of the proper intention of the member. However, it seems to me that if the Minister wishes to entertain this debate the Chairman will permit it in view of the apparent misunderstanding. If the Minister is prepared to accept—

Hon. Mr. McKeough: Well, I think really the distinction is—and this is why we tried to consider them together—that 1404 relates to what is assessed, and probably what is exempt from assessment; vote 1405 relates to the direct subsidies to assessment—administration and mining municipalities.

I think, and this is what I am saying, that if the member is talking of the assessment or non-assessment of smelters, this would properly have come under vote 1404, not vote 1405 item 2. But we have heard him this far, so let us finish it off.

Mr. Chairman: The Chairman was getting the same feeling, that the member for Sudbury was not sticking to the specific item which is vote 1405. I would ask him if he could restrict his remarks to that area?

Mr. Sopha: I will make every effort to do that. What I am talking about really is injustice, and I have obliged my conscience, so that I will sleep peacefully tonight to tell about this injustice.

Hon. A. Grossman (Minister of Correctional Services): Have you got anything to say under this vote?

Mr. Sopha: Yes. I have come to the point where the chamber of commerce expressed a disappointment to the Prime Minister that the Clasky committee had not done what the Prime Minister had undertaken that they would do, and that was to look into the question of accessibility of smelting. Indeed,

in his reply of June 27, 1967, he says in the second paragraph, and I think that it is worth reading, he says:

> I must say to you, however, that while I appreciate to some degree, the merits of some aspects of your statements, I really do not understand how you could feel anything but elated by the course of events that have already transpired, and the extent to which the government exceeded and more than exceeded to the recommendations of the committee which studied so assiduously.

In other words, the Prime Minister gives the impression that he is hurt by the chamber of commerce drawing his attention to the wider question of whether mining companies should pay taxes instead of this system under item 2 of vote 1405. In other words, Sudbury, and many other basin municipalities, looking to the provincial government, I say to my friend from Grey-Bruce, for a hand-out, or beneficence, by tackling the problem at the local level by assessing these companies and having them pay their taxes to the local treasury, like everyone else does.

All right, this has become a very anxious problem. I can only hope and pray that by the fall of the year, when this House meets again, that the Minister of Municipal Affairs will come in here, and really, all he has to do is agree with Inco's own submission. I did not expect, after all the years that I have been here talking about it, that the object of my ire, the International Nickel Company would suddenly turn around, not for reasons of altruism, and, in effect, agree with me that they should pay taxes at the municipal level. It is in the hands of the Minister to correct the situation.

In the meantime, all the Premier does about it, you see, is to put the member for Nickel Belt on another committee. Instead of dealing with the problem, the member goes into another committee to deal with this question. That is small comfort to the citizens of Sudbury. The member for Nickel Belt was on the Clasky committee! We never heard anything he ever said—

Mr. G. Demers (Nickel Belt): You know better than to say that.

Mr. Sopha: —at any time when he sat on that committee, in the light of the chamber of commerce's attitude, that the member for Nickel Belt ever advocated that they grapple with the guts of the problem, which was whether the smelter should be assessable. Indeed, when I brought my bill in here last year, advocating the repeal of 35-5, it was wanting for support from the member for Nickel Belt.

Mr. Sargent: Inco is a big contributor!

Mr. Sopha: He never supported the bill! The citizens of Sudbury are to wait then for the deliberations of the member for Nickel Belt on this second committee. Who knows, if they do not get at the nub of this problem, and remove that inequity from The Assessment Act—and make the International Nickel Company, and indeed the Falconbridge Nickel Mines subject to municipal taxation the same as everybody else—and underline that, "the same as everybody else." It will be small comfort that the member for Nickel Belt goes on another committee. There might be an infinite number of committees. Now, I am tired of the member of Nickel Belt being on these committees to "look into it." I want some action. I plead for some action.

Mr. Demers: You got a million bucks which is more than you achieved in nine years.

Mr. Sopha: What I really plead, and we plead for, is the elimination of this system of handouts—this $10 million, which is a handout to Sudbury, the largest recipient of mining revenue payments under that item, and indeed the largest contributor of the taxes that make it up. Sudbury is the largest contributor. At least half of the taxes from which those payments are derived are paid as a result of the industry of the miners in Sudbury, who moil in the mine for copper and nickel, and the 12 or 14 other products that are produced there.

Up to now, I think that it is fair to say that the system, the Spooner system, sometimes called the McBain formula, was a device whereby Kirkland Lake and Timmins derived benefit from the industry of the people of Sudbury. They shared in what was produced in Sudbury.

Well I think that Sudbury is entitled to some justice. This justice can only come at the local level, in the light of the brief and submission of the International Nickel Company of Canada, and this is my final submission.

Mr. P. D. Lawlor (Lakeshore): You are being very parochial.

Mr. Sopha: It may be parochial. I am the member for Sudbury. I will accept that aspersion. How great is my victory.

Mr. Lawlor: They do not want to contribute.

Mr. Sopha: Well, let me just deal with that very briefly—with the mines profit tax from which this payment is derived. As far as I am concerned, I make no advocacy whatsoever that this statute be repealed. If the government of this province, and this Minister, and the Treasury Board want to continue to use those moneys, the $15 or $18 million whatever it is that they derive for economic rent, for the continuation of the mining revenue payments under the formula of The Assessment Act, then I could not possibly tender any objection to the system.

But, at the local level, Sudbury, and the surrounding municipalities, ought to be permitted to tax the installations of the mining companies. That is the position that I take, and more power to the other municipalities to continue the mining revenue payments. Well, I am at the end of the ninth annual plea for justice, and how great is the victory. It is this great. I want to read it into the record.

Interjections by hon. members.

Mr. Sopha: Well, let us not tarry. I am going to read this into the record. It is the conversion of the International Nickel Company. It is almost equal to what happened to Saul on the road to Damascus. Here is what they said in their brief:

> International Nickel does not consider the committee's proposal to be a satisfactory answer to the problem of providing the mining community with a fair share of tax revenue from the mining industry. Moreover, by continuing or even extending the present exemptions of processing facilities for property tax purposes, it runs contrary to contemporary trends in taxation.

Hearken!

> We propose, instead, that the municipal property assessment base be broadened to cover all processing facilities including smelters and concentrators. This could be done by amending section 35-5 of The Assessment Act to read as follows: "The buildings, plants, and machinery, in, on, or under mineral land and used mainly for obtaining minerals from the ground, storing the same, subject to subsection 10, the minerals in or under such land are not assessable."
>
> The effect of this change would be to subject all concentraters, smelters and refineries in the province, including those of International Nickel, to the full impact of municipal taxation.
>
> More important we believe this amendment would complement and simplify many facets of the proposed regional government. In principle, International Nickel supports regional municipal government and with particular emphasis on the equitable sharing of the costs of regional services.

To which I say Amen!

And I say to my friend from Nickel Belt that there is the object of his mission in life—to bring about justice to the Sudbury basin so that finally, notwithstanding the procrastination of this department, Inco will be required to pay its taxes at the local level. This will be accepted, and the services for the population they have created—not in the biological sense, but in the economic sense they created the population to mine their ores—will be paid for by that mining company. And if next fall I stand in this House, as I hopefully will, and sit here and listen to the Minister bring in the amending legislation to remove that inequity then the nine annual speeches will have been worth it.

Mr. MacDonald: Mr. Chairman, I think after nine annual speeches, and the rather unctuous query, "How great is my victory—I have triumphed in getting Inco to come to heel," the record should be clarified, Mr. Chairman.

Mr. Sopha: Never heard you support it.

Mr. MacDonald: For years, while the CCF and the New Democratic Party was the only party fighting for what he has now become converted to, he was opposed to it, Mr. Chairman. I listened to the hon. member. Now you have spoken—

Mr. Sopha: Point of order.

Mr. Chairman: What is the point of order?

Mr. Sopha: I rise on a point of order. He is not entitled to distort what I said.

Mr. MacDonald: I am not distorting it.

Mr. Sopha: He is not entitled to mislead the House.

Mr. MacDonald: All right; I will clarify that.

Mr. Sopha: This is a very important matter of principle. I admitted for several years I took the other view.

Mr. Chairman: I do not see what this point of order is? The member does not seem to have made any point of order.

Mr. MacDonald: This is 1968. Let us go back nine years to 1960. What was the hon. member saying? Listen—it is not ancient history—it is Sopha:

> It is nowadays fashionable among Canadians to decry the economic domination of American capital. There are those among us who will say there is a great danger of the loss of political sovereignty as a result of the investment of that capital.
>
> There is another aspect to it, sir, and we must always keep these things in balance and make reasonable approaches to them. I might say that as far as Sudbury is concerned it has been the recipient of the most bountiful munificence on the part of these two companies. There is not a project designed to ameliorate the general welfare wherein these companies have failed to give their most unremitting assistance.

The hon. member for Sudbury said that, Mr. Chairman—to be found in *Hansard* in the year 1960, page 259. One year later in 1961—I am only going to do two. This is the second one.

> With all these things combined—

said he, quoted in *Hansard*, page 2051, of the year 1961, March 13:

> With all these things combined, I can only make my pleas, sir—as I did last year and I suppose as I will every year—for a more equitable share of the mines' profits and taxes that this government collects on behalf of the citizens.

Mr. Sopha: I said that I changed my mind.

Mr. MacDonald: Yes, but, Mr. Chairman, I am not distorting, I am correcting misinformation. He said, for example, he supported the proposition of municipalities going, like mendicants, going to get more—but in fact he was an apologist for the two companies that he now condemns. The fact of the matter is that some other people created a bandwagon in going after Inco and Inco is now recognizing they have got to do something, so he climbed on the bandwagon, rather belatedly.

But to return to his statement in 1961:

> I am not advocating that these mining companies be taxed, if it is not government policy that they be taxed at the municipal level. I hold no brief for Falconbridge Nickel Mines, or International Nickel Mines, and I do not think there is anybody at Sudbury, at least among our body of opinion—

Mr. Sopha: I did not hear that last part.

Mr. MacDonald: How can you hear it when you are talking? There is a simple proposition; if you shut your mouth and opened your ears you could hear.

Mr. Sopha: Hey! What are you doing? Do you not support my position?

Mr. MacDonald: I continue to quote:

> At least not among our body of opinion, who suggests that they should be taxed at the municipal level and thus be made in many respects at the whim of the local council.

In short, he was not going to put the great Inco at the whim of the local council. But now he has changed his mind.

Mr. Sopha: I already admitted that years ago I had a different view.

Mr. MacDonald: Mr. Chairman, the simple fact of the matter is that for years Inco has not paid its share and it has not paid its share because this government is in bed in a cosy fashion with it—and in the same big bed was the hon. member for Sudbury—for years.

Now, sure, some people fought for greater justice and Inco recognizes that they are going to lose the battle. Like the car insurance company, they have made an appeasement offer, so let us examine this gift horse as to what Inco is going to do.

But meanwhile the hon. member for Sudbury, because he has no alternative if he is going to survive in Sudbury, has climbed on the bandwagon, and professes to be opposed to Inco. Well for years he was the apologist for Inco. Let us just have the whole record, Mr. Chairman.

Mr. Sopha: Indeed, they never make a major decision without asking me.

Mr. MacDonald: Mr. Chairman, "How great is my Victory?" The hon. member for Sudbury asks, "How great is my victory?" In light of the record which went on for nine years, these nine annual speeches, I think the record should be complete for all there to be read, so that future readers will not be mislead.

Mr. Chairman: Vote 1405 carried?

Mr. Sargent: Mr. Chairman, on vote 1405.

Mr. Chairman: Vote 1405 is carried.

Mr. Sargent: No, it is not—I was on my feet—

Mr. Chairman: Vote 1405 is carried; on vote 1406.

Mr. Sargent: Mr. Chairman, 1405 has not been discussed yet at all. None of the grants Act. There are nine votes in 1405, you did

not give us a chance to speak on them. Just to discuss item 2.

Mr. Chairman: Vote 1406! Vote 1405 is carried.

Mr. Sargent: Mr. Chairman, there are nine items in this vote, and we have only talked about item 2.

Mr. Chairman: Vote 1405 is carried.

Mr. Sargent: You did not give us a chance to talk about them.

Mr. Chairman: Vote 1406.

Mr. Sargent: Mr. Chairman, this is wrong, there are nine items we have not talked about here.

Mr. Chairman: The Chairman put vote 1405.

Mr. Sargent: I was on my feet and you turned the other way. I am telling you the truth, Mr. Chairman. I was on my feet and you turned the other way. There are nine items we must talk about on this vote.

Mr. Chairman: Vote 1405 is carried!

Mr. Sargent: It is not carried, we have not had a chance to talk about it.

Mr. Nixon: Mr. Chairman, perhaps there is some way to clarify this before we get into a vote on your ruling. The hon. member, as I understand it, was on his feet wanting to talk about something on vote 1405.

But to go back to some of the difficulties that we have experienced in the last hour, you indicated some time before that two of the items in vote 1405, item 3 and item 8 would have and were in fact carried with a previous vote. But if, in fact, you are saying that vote 1405 was carried just in the moment before the hon. member for Grey-Bruce was trying to get the floor, then surely that is not reasonable—and you have been the soul of reasonableness all evening.

I would suggest to you, sir, that if the hon. member has some matters to put before the House on this particular vote that it would not be reasonable at this time to deny him the opportunity.

Mr. Chairman: May I say to the leader of the Opposition that flattery will get him nowhere in the first place.

Mr. Sargent: Oh, come on, be reasonable!

Mr. Chairman: Well, if the member for Grey-Bruce will remain silent for a few moments to let the Chairman answer the words of the—

Just as soon as the member for Grey-Bruce has finished the Chairman will endeavour to handle the situation.

As suggested by the leader of the Opposition, items 3 and items 8 of vote 1405 were carried with vote 1402, along with item 1 of vote 1407.

Then the member for York South was answering certain remarks—

An hon. member: Completely out of order.

Mr. Sopha: No more out of order than you were to begin with.

Mr. Chairman: All right now, hold on. Let us just take it easy.

The member for York South was replying to certain remarks of the member for Sudbury and during the "noise", shall we call it and the many interjections, the Chairman did put vote 1405 through. In the opinion of the Chairman, the minute that it carried we passed to vote 1406.

However, the Chairman wanted the committee to know that he was thoroughly and completely aware of what has been going on. In view of the noise that was going on, I will give the benefit of the doubt to the member for Grey-Bruce that he did not hear me carry the vote.

Interjections by hon. members.

Mr. Sargent: Well thank you Mr. Chairman. Of all this department's estimate, this is the largest spending vote. You tried to pull a fast one there, Mr. Chairman, but I do not blame you one bit.

Some hon. members: Oh come on!

Mr. Sargent: What do you mean? I am just saying what I think.

Interjections by hon. members.

Mr. Chairman: Does the member wish to debate vote 1405 in a proper manner? If he does, will he please proceed.

Mr. Sargent: I am in no hurry, I have the floor.

Mr. Chairman: Well then, proceed in a proper manner, and you have the floor.

Mr. Sargent: Thank you.

Mr. Chairman: The minute that you are out of order, you will not have the floor.

An hon. member: Do you hear that? Get off the pot!

Mr. Chairman: Vote 1405?

Mr. Sargent: It is a very democratic process that we are living under here, I hope, and I would like to find out from the Minister—nice to have you back, Mr. Prime Minister, it is nice of you to drop in once in a while.

Hon. J. P. Robarts (Prime Minister): Well Mr. Chairman it is very seldom indeed I am absent.

Mr. Sargent: We have a $16 million increase in this item on Unconditional Grants Act, from $28 million last year to $44 million this year. What is the breakdown of the formula as far as population areas are concerned?

Hon. Mr. McKeough: There were increases in the Act, as you will recall, this year, which account for some $4 million over the appropriation of last year, which was $40 million, and this is $44.1 million. There were also increases in population which of course tend to increase the amount required.

Mr. Sargent: Well I know that you have an increase, but what is the formula increase as far as population area is concerned. My point is that the smaller areas have been discriminated against insofar as I think that Toronto is receiving about $7.50 or $5.50 per capita grant.

Hon. Mr. McKeough: It is a $7.50 grant.

Mr. Sargent: What would the per capita grant be for a city under 25,000 population?

Hon. Mr. McKeough: This is in the Act. A city under 25,000 would receive $5.50—no $6!

Mr. Sargent: So there is a difference of $1.50. Has the Minister any plans to give parity in this regard.

Hon. Mr. McKeough: We discussed this the other day when the act to amend this act went through.

Mr. Sargent: Well I was not here, and I am asking the question. Are there any plans for parity?

Mr. Chairman: I would point out to the member that there can be no reflection upon a previous vote of the House during the session.

Mr. Sargent: Okay. Under the basic shelter—

Mr. MacDonald: This is a deliberate waste of time.

Mr. Sargent: If anyone wastes the time of the House, it is the leader of the New Democratic Party. He gets up on a bunch of nothingness. We have $150 million under this vote!

Mr. Chairman: May I remind the member that any previous vote of this House during the session may not be reflected upon?

Hon. Mr. McKeough: Mr. Chairman, on this I think—

Some hon. members: Carried, carried!

Mr. Sargent: I had asked earlier if I could speak on this basic tax exemption, and he had given me this vote to speak on it. And now I cannot?

Hon. Mr. McKeough: That is why I am on my feet Mr. Chairman. That item 9 should read to correspond with the The Residential Property Tax Reduction Act. The estimates could be changed accordingly.

Mr. Chairman: Carried?

Mr. Sargent: Mr. Chairman, in this regard, how much money has been spent on the entire programme as far as tax exemption deliverance is concerned.

Hon. Mr. McKeough: The total administrative budget for the tax reduction programme is in the neighbourhood of $800,000 and we do not frankly know how much newspaper advertising will be required. At the present time we have committed some $80,000.

Mr. Sargent: So we are spending $800,000 to deliver $150 million, in effect?

Hon. Mr. McKeough: Yes, it is a percentage of about one half of one per cent. In the first year this can be considered to be very good.

Mr. Chairman. Was this not considered in a previous vote?

Hon. Mr. McKeough: Yes it was.

Mr. Chairman: Yes, I would like to say that we are only dealing with the actual amount of $150 million under note 1405. We are not discussing administration or any other area.

Mr. Sargent: I am interested in knowing how much you are spending on direct mail?

Mr. Chairman: That is in a previous vote. We are only dealing with the amount of the vote.

Mr. Sargent: Mr. Chairman, I know that you have had a hard day, but we are talking about spending $150 million of money that should not have been spent in the first place. The taxation system should have been handled so that it would not have had to be done this way.

Hon. Mr. McKeough: Mr. Chairman, he is out of order.

Mr. Chairman: Yes, I would point out to the member again that item 9 in the estimates, the basic shelter exemption of $150 million has been covered by previous vote of this House, in this session—

Mr. Sargent: The Minister was on his feet a moment ago, and said that we could talk on this vote.

Mr. Chairman: He pointed out to you in answer to your question about the administration of costs that it came under a previous vote.

Mr. Sargent: Where?

Mr. Chairman: Vote 1403 covered the municipal finance subsidies. I think that the member may quite properly debate anything under vote 1405.

Mr. Sargent: I do not think that you should interpolate what I think at all. I am asking questions and I would like the answers.

Mr. Chairman: Order! The Chairman is pointing out to the member what he can debate under vote 1405. Items 2, 3 and 8 have been carried. Item 1—

Mr. Sargent: Mr. Chairman, on a point of order. With the greatest respect to you, I know that you try to be fair, but we cannot get to the bottom of these things if we do not ask questions. You try repeatedly to block these questions and it has got to the point where we feel that we are doing something wrong asking questions about millions of dollars. Now who is right? The people of this province elect us to speak for them.

Mr. Chairman: I say to the member that if he brings his questions up in a proper manner, under the proper votes and estimates, he will get the answers to them.

An hon. member: He is filibustering.

Mr. Sargent: I am not filibustering. I have a right to ask these questions and I want an answer.

Mr. Chairman: The Chairman rules that he cannot ask the questions that he has attempted to ask. He may debate any other of the items under vote 1405.

Mr. Sargent: Well, you will find some way to block those too so I will sit down.

Mr. Chairman: The member for York Centre.

Mr. Deacon: Mr. Chairman, there are two new items under this Act, The Whirlpool Rapids Bridge Act of 1967, and the Lewiston-Queenston Bridge Act of 1967. What is the situation with regard to the Ambassador, the Ivy Lea, the Peace bridge, and the Bluewater bridge? Do they not have grants paid to them in this way?

Hon. Mr. McKeough: The only other one is The Rainbow Bridge Act, of 1941. These two that you mentioned were brought in last year and actually I think that the carriage of them was with The Department of Highways. But they are now a fixed amount until 1980, and the carriage of them was by the Treasurer. They are being paid under this vote.

Mr. Deacon: Are there amounts being paid in another fashion to municipalities? I presume these are being paid directly to the municipalities.

Hon. Mr. McKeough: Yes.

Mr. Deacon: Are the amounts being paid in lieu of taxes in effect to the other bridges?

Hon. Mr. McKeough: To my knowledge, only the Rainbow bridge, under The Rainbow Bridge Act, which is paid to the city of Niagara Falls and is still paid by The Department of Highways.

Mr. Deacon: Can the Minister advise us why these two and the Rainbow bridge get special treatment? Is there some reason for that special consideration?

Hon. Mr. McKeough: No.

Mr. Deacon: Why should the others not be treated accordingly and similarly?

Hon. Mr. McKeough: Yes, the other bridges would pay their taxes directly to the municipality.

These are, in effect, grants in lieu of taxes because we own the bridges or own a share of the bridges. I guess we do not own either of these bridges 100 per cent, I think we own half of them and therefore we pay a grant in lieu in fact, to the municipalities.

Mr. Deacon: Mr. Chairman, I, as a private member, recall a bill coming before the private bills committee about the Bluewater bridge and there was some dispute about this matter of assessment and taxes paid by that bridge. As I remember, the municipality of Point Edwards was not allowed to assess the structure and get the taxes they felt were commensurate with this amount. Why should they be advised in order to get comparable and fair treatment to bring in a private bill similar to these Acts here, the Whirlpool Rapids, the Lewiston-Queenston bridge to cover the matter?

Hon. Mr. McKeough: We undertook to study this situation and I have been in touch with Point Edwards since.

Mr. Chairman: Vote 1405?

Mr. Sargent: Mr. Chairman, on the winter works incentive programme you estimate $10.5 million. How much is recoverable from the federal government?

Hon. Mr. McKeough: This is gross. This is our share.

Mr. Sargent: That is your gross? What is your recovery from the federal?

Hon. Mr. McKeough: We recover—

Mr. Chairman: Vote 1405!

Mr. V. M. Singer (Downsview): Are you net budgeting or gross budgeting? Every department seems to have a different rule.

Mr. Sargent: This is not your net cost; your net cost is about $3 million or $4 million. What is our cost? Your recovery the last time from the federal government was $7 million on the gross expenditure of $10.2 million. Now what is your recovery this year?

Mr. Singer: The gross budget on one page and net budget on the next—it is so confusing your Ministers cannot follow it.

Mr. Sargent: You had better get the Prime Minister to sit next to you; he might know some answers here.

An hon. member: The Treasury board chairman knows.

Hon. Mr. McKeough: Could we go on to the next question, Mr. Chairman?

Mr. Sargent: The next question will be then, going down the line again to basic shelter grants—is the $150 million an estimation or approximation? Is that going to be enough money or are you going to budget more money for it?

Hon. Mr. McKeough: In my view it is going to be a sufficient amount.

Mr. Sargent: You think it will be a sufficient amount?

Hon. Mr. McKeough: Yes.

Mr. Sargent: Do you have any indications to back that up now? The demands are getting off municipalities?

Hon. Mr. McKeough: There are no indications to change our original view that this was a sufficient amount of money.

Mr. Sargent: On the same line, Mr. Chairman, it is going to cost you $800,000 to distribute this money. How much money is it costing the municipalities at local levels? Do you know that?

Hon. Mr. McKeough: No, I do not.

Mr. Sargent: Do you have an approximation of the cost?

Hon. Mr. McKeough: Not very much.

Mr. Sargent: Well, it is the biggest thing they have ever handled at local level. I mean it is costing another million or so dollars at their level.

Hon. Mr. McKeough: I doubt that very much.

Mr. Sargent: So you do not know the centennial grants programme—the $1.8 million? Is that the final payment on centennial projects last year—what is that?

Hon. Mr. McKeough: Pardon. The centennial grants programme? That is to pay for the centennial projects which are not yet completed, most notably in the city of Toronto.

Hon. Mr. Grossman: Oh you should not have said that.

Mr. Chairman: Vote 1405.

Interjection by an hon. member.

Mr. Chairman: The member for Grey-Bruce apparently had not finished his questions.

Mr. H. Peacock (Windsor West): You recognized the member for Thunder Bay.

Mr. Chairman: I think the Chairman has done this on many occasions where a member has resumed his seat waiting for answers from the Minister and he was not quite finished with his questions.

The member for Grey-Bruce; if he has another question.

Mr. Sargent: Are there any outlying projects across the province for centennial projects that are included here? Are they all—

Hon. Mr. McKeough: Pardon? I am sorry.

Mr. Sargent: All the local projects for centennial works across the province, are they looked after in this vote? This is the final thing.

Hon. Mr. McKeough: Yes. Most of them would have been paid in the last fiscal year.

Mr. Chairman: Vote 1405; the member for Thunder Bay.

Mr. Stokes: Mr. Chairman, I would like to ask the Minister what is the normal procedure when a municipality makes application to the municipal board for the right to issue debentures for a school project and after some three or four months of deliberation, the Ontario municipal board turns them down and then they say they are negotiating an unconditional grant that has to go before Treasury board and eventually that is turned down.

Is this in keeping with the Bill 44 which was just passed for the equalization of educational opportunity where—in the opinion of the Ontario municipal board—they are turned down and just because of their inability—in the opinion of the board—to carry this load they are denied the right to equality of educational opportunities.

Hon. Mr. McKeough: The fact that they are being combined is going to help the situation considerably. The total resources of the area are going to be available for the issue of debentures rather than just the single municipality and this should help.

Mr. Chairman: Vote 1405.

The Member for Waterloo North.

Mr. Good: Mr. Chairman, I would like to speak to one aspect of item 9, basic shelter tax exemption. It has nothing to do with the Act nor the regulations but a matter which has arisen because of the Act and I think you will agree it will be in order.

This has to do with the refunding of payments from property owners whose taxes are prepaid with mortgages to lending companies. Now when apartment owners—or property owners for that matter—prepay their taxes to mortgage companies a year in advance when those taxes are paid by the lending companies they find that the municipality deduct the basic tax exemption from the taxes. We will say in the case of the 15 or 23 apartment building this is quite a sizeable sum.

Now that property owner is supposed to have that money to pay back to his tenants. There is nothing in the regulations, nothing in the Act, which gives any direction as to how the mortgage companies holding the prepaid taxes are to return them to the tenant or to the property owner. The present memorandum which is sent out to municipalities simply says that if the mortgage or lending company pays the taxes in full it is then the responsibility of the municipality to send the grant directly back to the tenant.

Now this is not happening in practice. I have consulted with several of the mortgage companies and they tell me they have had no direction whatsoever in this regard. So some of them are simply deducting the exemption from next year's taxes—which means that the property owner is receiving it back only one-twelfth at a time over the 12-month period. So that in effect, he will have to reimburse his tenants by this December and the mortgage company would still have half of his tax exemption until next June.

I think something should be done by this department and direction given to these mortgage people. They say, "You cannot expect us to send out 10,000 or 15,000 cheques," if that is the number of mortgages they have. I find that a great many, especially apartment owners, are finding themselves in a position where the mortgage company has their money. They are going to have to pay their tenants and they want some direction from this department on what is going to be done about it. Would the Minister comment on this please?

Hon. Mr. McKeough: I wonder if I could answer the member for Grey-Bruce's question first. The winter works vote is a gross figure.

Mr. Sargent: You are only $7 million out—

Hon. Mr. McKeough: Do you want the answer to the question or not?

Mr. Sargent: That is it!

Hon. Mr. McKeough: All right, that is what you wanted to know; that is the answer I have given I just wanted to be—

Mr Singer: You fellows have to take a little time—

Hon. Mr. McKeough: Well. I was reasonably sure it was gross, but I thought the programme was larger than it was.

Mr. Singer: Well, some of them are not so sure.

Mr. Sargent: Seven million dollars is not bad for—

Mr. Chairman: Vote 1405 carried.

Hon. Mr. McKeough: I would like to answer the question of the member for Waterloo North.

We recognize that this is a problem. It seems to become less of a problem each day because mortgage companies are becoming aware of what is happening. We feel these problems are being worked out and the problems which have been given to us by owners seem to be being worked out as well.

If the member has a specific problem I would be glad to work it out with him. We have not issued instructions; we do not feel that we can do this to mortgage companies to cover every set of circumstances. But we would be glad to work with him about it.

Vote 1405 agreed to.

On vote 1406:

Hon. Mr. Robarts: Mr. Chairman, in view of the fact that there may be some questions on the last two votes of these estimates I move that the committee rise and report.

Hon. Mr. Robarts moves that the committee rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply reports that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister): Tomorrow, first of all I would like to deal with the legislation that is on the order paper; we will then resume the estimates of the Department of Municipal Affairs, which will be followed by The Department of Mines, which will be followed by the Department of Civil Service.

Mr. E. W. Sopha (Sudbury): I can make my speech again.

Hon. Mr. Robarts: I hope the hon. member will have an opportunity to do it tomorrow. The estimates after the Department of the Civil Service are, I think, those which we said some time ago would be taken in whatever order they come forward.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:30 o'clock, p.m.

No. 153

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Wednesday, July 17, 1968

Morning Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, JULY 17, 1968

The House met at 10 o'clock a.m.

Prayers.

Mr. Speaker: Once again today, we may expect visitors later. In the east gallery this afternoon we will welcome the members of the leadership development programme of the Oshawa recreation department.

Petitions.

Presenting reports.

Hon. W. G. Davis (Minister of Education): Mr. Speaker, I beg to submit the report of the board of governors of the Ontario institute for studies in education, and also the annual report for Ryerson technical institute.

Mr. Speaker: Motions.

Introduction of bills.

Mr. E. Sargent (Grey-Bruce): Mr. Speaker, I wonder if the Prime Minister (Mr. Robarts), in view of the release this morning about the courier service in the pending postal strike—I do appreciate the fact that the government is on top of this at this point in having the courier service to nine or ten points across the province by plane and by truck—but I was wondering if the Prime Minister would consider the use of the 100,000 or so students out of work now. Would he consider the use of them in a mail courier service in Ontario at this point? Would there be an area of consideration there, sir?

Interjections by hon. members.

Mr. Speaker: Order, order!

Hon. J. P. Robarts (Prime Minister): As I explained in the House yesterday, the service that we have set up referred really to the functions of this government. It is not a service we are making available to the public. We have an organization within the public service itself, that we think will do the job, particularly on a short range emergency basis. I do not think that it would be our responsibility, nor would it be possible, for us to attempt to organize a mail service to perform the functions normally performed by the post office facilities of the federal government. We have given that no consideration and I think it would be quite impracticable.

Mr. Speaker: The member for Thunder Bay has a question of the Minister of Mines from the other day. Is he prepared to ask it and clear that from the order paper?

Mr. J. E. Stokes (Thunder Bay): I do not have a copy of it with me, Mr. Speaker.

A question for the Minister of Mines. What is the status of land held by Algoma Central Railway regarding mineral rights and will there be charged an annual rental for renewal of mining leases and acreage tax as provided for in Bill 118?

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, on the assumption that the member is talking about the Algoma Central Railway and not Algoma Steel—in order to be liable for mining acreage tax lands must have been granted as mining lands, or must be held or used for mining purposes, or there must be a severance of the mining rights.

It is my understanding that Algoma Central Railway owns approximately 38 townships in the district of Algoma. Most of those lands do not fall in any of these categories and therefore are not taxable under The Mining Act. But the railway company has approximately 1,200 acres on our mining tax rolls and these will be subject to tax increases provided for in Bill 118, the same as any other corporation.

Mr. Speaker: The member for Grey-Bruce some days ago placed a question to the Prime Minister in connection with unions. I do not know whether he still wishes to ask it or whether—

Mr. Sargent: May I have a copy of it, Mr. Speaker?

Would the Prime Minister indicate if he is aware that a large majority of union members are afraid of bodily injury, or even their lives, if they complain or object to union policy?

Mr. D. C. MacDonald (York South): Oh, come off it!

Mr. Sargent: Listen to them scream down there. Why do they not grow up and be geared to the times?

Mr. Speaker: Order, order!

Mr. Sargent: Would the Prime Minister advise if he is aware that many of these unions are controlled by U.S. union officials and that the rank-and-file union members in Ontario have little or nothing to say in what goes on?

Would the Prime Minister advise the House just what he is doing about this very serious catastrophe that is about to upset the economy, and if he is willing to call a full-scale investigation to indicate a policy of immediate control?

Hon. Mr. Robarts: Mr. Speaker, it is impossible to answer a question such as this with yes or no. It contains so many expressions of opinion. I might say yes; I am aware that there are problems in the area in which this question is phrased but I would not necessarily agree with the opinions which are held by the member, which I think are embodied in the question.

We have various studies being carried on at all times, of course, in the government and The Department of Labour. I would draw to the member's attention that in August of 1966 the government appointed the hon. Ivan C. Rand as a commissioner to institute an inquiry —and it might be interesting to read from the order-in-council—he was appointed commissioner to:

> inquire into the means of enforcement of the rights, duties, obligations and liabilities of employees and employers individually and collectively, and of trade unions and their members individually and collectively, with relation to each other and to the general public, or any individual or section thereof, and the use of strikes, cessation of work, walk-outs, picketing, demonstrations and boycotts, whether lawful of unlawful, in labour disputes; and to examine the use of and procedures for obtaining injunctions in relation thereto, and to report thereon, and to make such recommendations as he may deem fit to the Lieutenant-Governor in council.

Now, if you will examine these terms of reference with care it will be seen that a good many of the things referred to have been placed in Mr. Justice Rand's hands.

He has held a great many public hearings, representations from individuals and from organizations. I think perhaps his report will be available within the foreseeable future. By that I mean I would hope that it would be distributed by, probably, September.

Now there are questions of printing and so on, but the information I have presently is that we will have the result of his deliberations within the next six to eight weeks.

I think hon. members will find that he will have dealt, in that report, with many of the matters that are raised in this question.

Mr. Sargent: Mr. Speaker, I appreciate the Prime Minister's views on this, but I—

Mr. Speaker: Order! If the member—

Mr. Sargent: Concern is not enough, action is needed now!

Mr. Speaker: Order!

Will the member resume his seat while the Speaker is on his feet?

Now if the member wishes to ask the Prime Minister if he will accept a supplementary question he is entitled to do so, but he is not entitled to comment or express his opinion.

Mr. Sargent: Will the Prime Minister accept a supplementary question?

Hon. Mr. Robarts: Yes, but I will regret it later.

Mr. Sargent: The Prime Minister is very gracious this morning.

Hon. Mr. Robarts: When did I refuse?

Mr. Sargent: Yes, that is right.

I would ask the Prime Minister this: Does he not agree that the area of business, the economy, needs more than concern at this point; that it needs some action, and we cannot wait until a justice brings down a report?

Mr. MacDonald: What is the member proposing?

Mr. Sargent: An immediate investigation.

Hon. Mr. Robarts: The immediate investigation is just about concluded, so there is no point in asking for another immediate investigation. I can tell the House, quite frankly, that we do not intend to take any precipitate action in this field without permitting all parties to these questions to have an opportunity to put their point of view, that is not the way we run the government. We want to consult those concerned. We want to have a proper basis if it is necessary to establish

policies that will be sound and in the best interest of all the people of this province—and I mean all the people.

Mr. F. Young (Yorkview): Mr. Speaker, I have a question of the hon. Prime Minister.

Following the Prime Minister's letter of December 13, 1967, to Mr. Gus Mauro of the Mauro accordian academy regarding the licencing of music teachers in the province of Ontario, has any progress been made in this regard?

Hon. Mr. Robarts: Mr. Speaker, I referred the matter to two other departments for comment and I am not in a position this morning to tell the House what that comment was. But I will—

Mr. Young: Mr. Mauro has received no comment.

Hon. Mr. Robarts: I do not know. I receive quite a few letters and as far as this particular one is concerned, I do not know whether it was acknowledged or not.

But in any event, upon receipt of it I instituted some investigation so that I would have some basis upon which to deal with the letter. Now, I will be able to tell the member tomorrow morning what this is. I have not had time since the question came to me this morning, but I will be quite happy to answer it tomorrow.

Mr. D. Jackson (Timiskaming): Mr. Speaker, I have a question of the Minister of Lands and Forests.

Has there been a reduction in the use of provincial parks since the introduction of the increase in entrance fees?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, in reply to the hon. member for Timiskaming, there has been a slight decrease in the overall attendance. This we feel is due to the poor weather in the latter part of June and early July. The improved weather in the past two weeks has shown a definite increase in park attendance and I am sure by the end of this year, we will have a substantial increase over last year.

Mr. Jackson: Will the Minister accept a supplementary question? He says there has been a slight decrease, does he have the exact figures on the decrease?

Hon. Mr. Brunelle: I could get the figures for the member, Mr. Speaker, of the decrease up to, say, last Saturday, of this year in comparison to last year. The hon. member lives in the same part of the country as I do, and knows it has been raining there for the last month, so it is very difficult to get people to camp in continuous wet weather.

Mr. Speaker: The Minister of Lands and Forests has a reply?

Hon. Mr. Brunelle: Mr. Speaker, this is the answer to a question by the hon. member for Essex-Kent (Mr. Ruston).

His question was: Due to the continued spread of the cottony maple scale disease in Essex county and especially in the township of Colchester South, will the Minister consider the request of Essex county council to take steps to assist in controlling this disease?

Mr. Speaker, my department would be pleased to assist in an advisory capacity. We have recently done an investigation in Colchester South township and there is no evidence that this insect has ever caused serious permanent damage to maples and is above all not attracted to maples in Ontario. Infestations of this insect have always been local and very short-lived. On July 4, 1968, a letter was sent to the clerk of the township advising him of the condition of the present insect problem.

Mr. M. Shulman (High Park): Mr. Speaker, I have a question for the Prime Minister, in the absence of the Attorney General (Mr. Wishart):

It is a six-part question:

1. Was the death of Isaac Teichroeb, which occurred on December 28, 1966, reported to the coroner?

2. Was an inquest held into this death?

3. If not, why not?

4. Was the cause of the death a flash-back explosion in the boiler room of the SS *Nixon Berry*?

5. Prior to the explosion in the boiler, had an oiler been fired for refusing to light that particular boiler?

6. Was Mr. Teichroeb burned by steam a few days before the fatal accident?

Hon. Mr. Robarts: Mr. Speaker, I will have to take this question as notice in order to find the answer. Just for the information of the member, the acting Attorney General is the Provincial Secretary (Mr. Welch), but I am quite happy to take the question this morning.

Mr. E. W. Sopha (Sudbury): Does he have a right of succession?

Hon. Mr. Robarts: The Provincial Secretary? Does the member mean to the the Attorney General? With his ability, I think he has the right of succession to any position in this Cabinet.

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third reading upon motions:

Bill 44, An Act to amend The Secondary Schools and Boards of Education Act.

Bill 150, An Act to amend The Workmen's Compensation Act.

Bill 152, An Act respecting the Royal Ontario museum.

Bill 162, An Act to amend The Teachers' Superannuation Act.

Bill 163, An Act to amend The Ontario School Trustees' Council Act.

Bill 164, An Act to amend The Teaching Profession Act.

Bill 165, An Act to amend The Public Schools Act.

Bill 166, An Act to amend The Department of Education Act.

Bill 167, An Act to amend The Secondary Schools and Boards of Education Act.

Bill 168, An Act to amend The Separate Schools Act.

Bill 169, An Act to amend The Territorial Division Act.

Bill 170, An Act to amend The Municipal Tax Assistance Act.

Bill 171, An Act to amend The Drainage Act, 1962-1963.

Bill 172, An Act to amend The Schools Administration Act.

Bill 173, An Act respecting the township of Red Lake.

Bill 174, An Act respecting the township of Charlottenburgh.

Bill 176, An Act to amend The Legislative Assembly Act.

THE EXECUTIVE COUNCIL ACT

Hon. J. P. Robarts (Prime Minister) moves second reading of Bill 177, An Act to amend The Executive Council Act.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I notice that the bill as on the order paper is not printed, but I am sure we can deal with it even though there would be an error apparently on the order paper in this regard.

I was wondering, sir, if the Prime Minister would explain why it is necessary to change the names of the Ministers, when each ministry has a bill which really controls the name of the department that is administered? It seems to be a needless duplication.

Hon. Mr. Robarts: Mr. Speaker, I think it is a pure legality that has to do with the other powers and provisions in The Executive Council Act. I am advised by our legal people that the Act has to be changed to be in conformity with the individual Acts that govern the operation of the departments. The Executive Council Act governs the operation of the executive council as opposed to the individual departments. It is purely—as I understand it—a matter of statutory interpretation.

Mr. Speaker: I would say to the leader of the Opposition that the Clerk of the House who is responsible for the order papers points out to me that this is a printer's error and that the bill is printed and has been available to the members. We have so few of these happenings that I am sure the members will not object to the odd printer's error in this way.

Motion agreed to; second reading of the bill.

THE LEGISLATIVE ASSEMBLY RETIREMENT ALLOWANCES ACT

Hon. C. S. MacNaughton (Provincial Treasurer) moves second reading of Bill 178, An Act to amend The Legislative Assembly Retirement Allowances Act.

Motion agreed to; second reading of the bill.

Clerk of the House: The 26th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF MUNICIPAL AFFAIRS

(Concluded)

On vote 1406:

Mr. E. Sargent (Grey-Bruce): Mr. Chairman, on vote 1406 many of the members of

this House over the years will have had many, many hours of their time consumed trying to tie together the Ontario municipal board and their local school areas and getting all the loose ends tied up; and I only want to make this point very briefly.

There is a complete lack of liaison, Mr. Chairman, between the OMB and the various other departments of the business of this province.

I am—as all municipal officials have been from time to time—concerned about the power that this board has. At the same time I do appreciate the intervention of Mr. Kennedy when a member of Parliament approaches him to get a long-lasting piece of all the legislation tied together in one ball of wax so it can be finalized.

I do not think it becomes this department or the government over there one iota that we cannot have some sort of proper cohesion. A case in point, the county of Bruce, the Walkerton high school. It took them three years to put together the opening of a high school and they listed, in chronological order, Mr. Chairman, the dates and meetings they have held with the government on the various levels to get this thing finalized and any words of mine, at this point, will not sink through the fact that we need to have a businesslike approach between the OMB and the various parts of government.

I think it is a sad affair that the Prime Minister (Mr. Robarts) or The Department of Education or the Treasury benches will not appoint a liaison board that can finalize these things and put them through without all this fal-de-ral of hundreds of phone calls and meetings to tie together the opening of a school.

In the area of business, Mr. Chairman, we have people who come in and expedite and tie up the loose ends and get a deal finalized but it is a sick piece of business today, for anyone starting at the county or township level to get all these authorities and their permissions signed down the line.

My point today is to say that the Minister has got a great selling job to do, a great selling job to do in his department. I think of the man who said he was the best milking machine salesman in the world. He found a farmer with one cow and he sold him two milking machines and he took the cow as a down-payment on them. Well, this is the selling job that the Minister will have to do in his department, in getting the government to be aware of the need to get a businesslike approach to tying together the needs of the people.

It is very frustrating for people on school boards to decide they want a school and not be knowledgable about the intricacies of the many hoops they must jump through to get this thing finalized. They sit for months and months, they cannot get to first base and so they come to you and I, as members, and say: "What the hell goes on, why can we not move in this thing?"

So in the final analysis we have got to phone up Mr. Kennedy or somebody on the board and use our "power" or "authority". They go to bat—they go to bat because they do not want to antagonize a member of the Legislature, but it should not have to happen that way.

I think we should have a man or a group of people in government who will expedite and duly go around to these different boards and say "Now, how can we tie this together for you and go through all the channels for you?" That is my one point in this vote, Mr. Chairman. Thank you.

Mr. Chairman: The member for York Centre on vote 1406.

Mr. D. M. Deacon (York Centre): Mr. Chairman, the municipal board has had a very important role to play in past years, particularly during the depression years, when many municipalities got into difficulty. But it is now being required to look into matters which really should not be needed in this day and age in areas where we have regional governments and quite a good deal of expertise among the groups submitting financing programmes for approval by the municipal board.

I would suggest to the Minister that he give consideration to eliminating from the review of the municipal board these new regional governments that are being set up, because they do take up the time of the board unnecessarily when among the members and the people working out the financing programmes are people probably even better qualified than those on the municipal board to judge the merits and ability of the municipality to carry out financing.

In Metropolitan Toronto for example, we have people who are as well qualified as any in the province to work out programmes, and it seems to be a waste of time for the board to have to ask them to rule upon submissions of such bodies for financing programmes and capital expenditures. I feel that when we do have responsible, large units of government,

we are now not in a position—or we should not be—to require the municipal board to spend their time on such matters. I would appreciate the comment of the Minister on this viewpoint.

Hon. W. D. McKeough (Minister of Municipal Affairs): In the area of financial control, Mr. Chairman, you will recognize that Mr. Smith has made certain recommendations and frankly I have not thought about them to any great extent. The supervision or control of the debt position of the municipalities, in my view, is by the Ontario municipal board, and it is working very well indeed and expeditiously, and carefully, and thoughtfully. It is a very necessary function.

I realize that there are those—including Mr. Smith—who think that those decisions should be made by the Minister and the department, rather than by an appointed board. I have no strong feelings one way or another at this point. I do say that I think that it is working rather well at this time.

Mr. Chairman: Vote 1406?

Mr. Deacon: Mr. Chairman, I do not necessarily agree with Smith in this matter. I am saying that we have very sophisticated groups of municipalities in these regional programmes; that the department is working out in Ottawa, Toronto, and major cities, where we know that they are very well aware of what the market requires, and what the sound financial practice would be, and much more so than are we who are not dealing with these matters daily.

It does seem a waste of our time and of those concerned to subject them to the regulation and supervision of the municipal board or department. This is the viewpoint that I basically wanted to present.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, earlier in the discussion of the estimates of the department, I made mention of the effects a ruling from the Ontario municipal board may have on a community in regard to winter works projects. I had asked the Minister if it was proper to discuss that at the time, and he suggested that I bring it up under some vote later in the estimates.

I would now like to ask of the Minister if, because of a delay on the part of the municipal board, a delay in the approval of a community project, would the Minister consider adding the number of days for which delay was the responsibility of the OMB to the end of the winter works project? In other words, if the project was delayed by five days as a result of OMB decisions, would the Minister consider adding five days at the end of April 30, at which a subsidy would be available to municipalities?

In my own municipality, it was a matter of $2,000 a day for five days, which is a sizeable amount. It would save the ratepayers that amount if the extension of the time were made by the department.

Hon. Mr. McKeough: I am not familiar with the particular circumstances in Windsor which give rise to the question, but I would be glad to take a look at them. I would have to say, however, that we have no authority to extend the time because it is a matter determined by the federal government, which sets the time limits.

Mr. B. Newman: Well then, Mr. Minister, could I ask them for earlier approval on projects such as this, so that a municipality is not caught short-handed as a result of the OMB decisions?

There is one other topic that I would like to bring up, and I assume that this is the proper time and vote. Is the department considering the extension of the financing of, say, the E. C. Rowe expressway from a 20- to a 30-year period?

Hon. Mr. McKeough: No, I do not think so in particular. We are looking at longer term borrowing. This question was raised briefly yesterday, and it was pointed out that we do have on our staff, people skilled in the money market. We have a constant liaison with the Treasury who have a great deal of expertise as far as the money markets are concerned, and have a concern for municipal borrowing.

My own view would be that increasingly the OWRC, or the government through the commission, are loaning moneys on a long-term basis. It may well be for as long as 30- or 40-year periods.

It may well be that in total and balance that this money is to be made available from the commission and other agencies to municipalities, and this may well mean that municipalities, should confine their borrowings from the public to the shorter term market. I do not mean one or two years, but perhaps a 20-year contract.

Mr. Chairman: The member for Peterborough.

Mr. W. G. Pitman (Peterborough): Thank you, Mr. Chairman. I would like to bring a matter to the Minister's attention which I think is a representative, rather than a specific, point. It would seem to me that one of the roles of the OMB, as well as insuring that the finances of the municipalities are in some sensible state, is that of defending and making sure that the rights of the taxpayers are also looked after.

I have here what is a very representative situation of what I think may very well become some of the problems that we will face, and particularly in view of the changes that have taken place as a result of Bill 44, and the reorganization of the educational system of this province.

It might be in order to begin my remarks with a quote from a *Globe and Mail* editorial of April 26. This is headed "A Scandalous Waste":

> One of the most important functions of the Ontario municipal board is to nip municipal folly in the bud. It is not stated in quite these terms in the various provincial statutes which set out the duties of the board, but the authority is there to control civic spending, if it is excessive, or ill-advised, and it may be used occasionally to stop municipal projects in their tracks.
>
> The Metro school board has embarked on the building of $13 million of suburban administration facilities by giving initial approval for spendidly prestigious education centres in North York and Etobicoke. This is a scandalous waste of public money, prompted, we suspect, by a wish to consolidate the notion that Metro's individual boards of education are here to stay.
>
> This is despite the assurances from Premier John Robarts that the present structures of government in the Metro area will be reconsidered after 1969.

It goes on to describe the ornate Etobicoke centre which will cost $3 million, and calls for an auditorium, cafteria, board room, conference and demonstration rooms, in addition to office space.

> Some members of the Metro school board, it should be said, have tried to restore perspective to the situation by questioning priorities in costs, but they were outnumbered and regrettably, gained no support from chairman Barry Lowes.
>
> The next move is up to the municipal board, and we would hope, the delegations of citizens and trustees.

I think that the important thing here is that the *Globe and Mail* suggests that delegations of citizens and trustees have a role to play, and I would like to bring before the House a series of events which prevented the citizens from really playing their proper role.

I think that the first mistake was not made by, and certainly had nothing to do with, The Department of Municipal Affairs, but is the way in which the Etobicoke board of education apparently runs its affairs. This seems, to a writer of a letter to a newspaper, to be a very strange way.

It seems that most of the major decisions are made in secret session, and, therefore, the citizens of Etobicoke really have no opportunity to get all the facts, or to question board members, or to make it a really democratic decision on a matter which is extremely important and which affects all the other boroughs of Metro Toronto, and will result in the expenditure of millions of dollars.

I would like to go on for a minute from that point. The citizens' committee did gather and tried to do something about bringing before the public the amount of expenditure which was going to be paid out if each of these individual boroughs had their own educational centre, and had centres of the size and of the complexity which the Etobicoke and North York boards were planning to build.

The spokesman for the citizens' group, Mr. Charles Millard, wrote to Mr. Kennedy as chairman of the Ontario municipal board. This was May 6, 1968:

> On behalf of the citizens' committee of concern, we are most anxious to appear before the board regarding the final approval of funds and financing to build a so-called Etobicoke education centre. Since Ontario municipal board approval in this case could mean tacit approval for similar projects throughout Metro and the province, a very great deal hinges on the board's decision, and we very much want to make representation to the board in enough time to prepare a submission.
>
> Could you, therefore, let the writer know at your early convenience when this case will be heard, and if this letter will serve as an application to be heard.
>
> Thanking you for your early attention.
>
> Yours faithfully,
> Charles M. Millard.

Mr. Millard received a reply from Mr. Kennedy, as chairman of the board, on May 22—this is over two weeks after that letter had been written.

> Unfortunately, your letter to me of May 6 instant, while duly received, did not come to my attention until today [that is May 22]. The funds required for capital construction by the metropolitan school board are the subject of both approvals under a recent amendment to The Ontario Municipal Board Act. However, if you make a specific request for a hearing on the Etobicoke education centre, I will endeavour promptly to arrange a public hearing. I should tell you, in advance, however, that the duties of this board are laid down in section 62.

And the chairman goes on to point out what the duties of the Ontario municipal board in this regard are. And one of them is, and I will just quote a part of this:

> Before approving of same, make such inquiry into the nature of the power to be exercised, or undertaking that is proposed to be, or has been proceeded with [it does not matter if it has already been started], the necessity or the expediency of the same, the financial position and obligations of the municipality.

Well, on May 27, Mr. Millard, writing on behalf of a number of other citizens in Etobicoke, wrote to the chairman of the municipal board:

> Dear Mr. Kennedy:
>
> Thank you for your letter of May 22, 1968, and thank you for your offer, if requested, to arrange a public hearing of the board to inquire into a number of relevant matters associated with, or stemming from an undertaking that is proposed to be, or has been proceeded with, namely, an Etobicoke administration education centre.
>
> As you will readily recognize, this is rather a complex matter with far-reaching implications, requiring careful preparation. Therefore, the request is for a preliminary hearing, and could this be conveniently held within one month? However, we will do our best to cooperate with you and the board.
>
> Thanking you for your prompt attention.

That was written on May 27. On May 28, Mr. Millard received a letter from Mr. Scott, who is the secretary of the Ontario municipal board, enclosing a board order which it had approved, and, of course, the first section of that board order is that: "The public hearing of this application be and the same is hereby dispensed with"—simply stating that the project had been approved and apparently indicated that was the end of it.

Mr. Millard wrote back again to Mr. Kennedy on May 31:

> Dear Mr. Kennedy:
>
> In order to keep the record straight, I wrote to you on May 6, 1968, and received your reply dated May 22.
>
> In your reply, you quoted section 62 of The Municipal Board Act, setting out the duties of the municipal board, and you offered to arrange a public hearing.
>
> On May 27, I formally made the necessary request for a public hearing, and as the Act provides that other relevant matters is for the board to decide, I suggested a preliminary hearing for this purpose.
>
> Under the circumstances, I cannot believe that a letter written by secretary R. Scott, under date of May 20 has been seen or authorized by you. Certainly the postscript on Mr. Scott's letter is wholly unacceptable, and if this correctly presents the position of the board, it makes a thorough public hearing into this entire matter all the more urgent and necessary.
>
> Yours sincerely, C. H. Millard.

On June 30, he received another letter from Mr. Scott, simply saying:

> I have received your letter of May 31. When the board's letter of May 22 was written to you, the board was not aware that this project had been commenced under the authority of the order made on the first day of February, 1968.
>
> Yours truly, R. Scott.

Mr. Millard then decided he would try again to get in touch with the chairman of the board; he sent a telegram to Mr. Kennedy. This was sent the day after the letter had been received:

> Before taking a final decision—

(and, of course, Mr. Millard was aware of the fact that the Act does allow the Ontario municipal board to move in even after a project has been commenced):

> —on steps now deemed necessary, may we know please if, in fact, you have seen the correspondence from Professor George Kirk and self since your letter to me dated the 22nd of May, 1968.

He then received a letter once again from Mr. Scott:

> Your telegram to the chairman was received at his home over the weekend. The full import of your telegram is not understood.
>
> If you wish to discuss this matter—

Now, this is the thing, now it has gone from "a public hearing" to

> If you wish to discuss this matter with the chairman, you should make an appointment by telephone with his secretary at 365-1901.

This is the final letter, I am sure the Minister will be glad to know. A final letter came from the citizens' group concerned with the Etobicoke education centre:

> This will acknowledge receipt of Mr. Scott's letter dated June 10, 1968.
>
> Since Mr. Scott has now raised the question of a possible discussion with you, and if it is your wish to have such a discussion, I would willingly cooperate, providing it is understood and agreed that such a discussion is in no way a substitute for an Ontario municipal board inquiry under section 62 of The Ontario Municipal Board Act.

Well, Mr. Chairman, I just suggest to the Minister that I hope he will look into this matter with some concern, because it does mean an expenditure of many millions of dollars on the part of the province, as this is just a beginning of the development of local educational centres. In this particular case, I feel, at least, that the people of Etobicoke have been poorly served.

In a sense, a citizens' group is attempting, I would suggest, on behalf of this government—because I think citizens do act on behalf of governments as well as on behalf of opposition to government acts—to force, I think, education boards to justify the expenditures which they are making in the cause of education. And, indeed, they are demanding certain priorities because in the township of Etobicoke there are some schools that do not even have enough classrooms. And some of the priorities here—for example, as suggested by the *Globe and Mail*—a programme of free dental care for people on welfare was left without a penny.

Now, I just suggest to you, sir, to the Minister, that this is the kind of spending which needs to be thoroughly examined and should be examined within the democratic process.

Hon. Mr. McKeough: I am not familiar with all this file and I will be glad to have a look at it. If I could just make a couple of comments, however, very briefly, and subject to being able to change my mind after I have looked at that correspondence. First of all, just a small point, it is Miss Scott not Mr. Scott, who is the secretary, and who, I would say, is one of the most obliging people in any department. I would suggest to my friend from Grey-Bruce that if he does not want to phone the chairman, if he phones Miss Scott, he can nearly always get the information that he is looking for. I am glad to put that on the record because she is a very helpful person.

More important, however, I think probably I would disagree with the thoughts expressed in the *Globe and Mail* editorial—I remember reading it—at the beginning to a certain extent, and I think my friend did, perhaps, at the end of his remarks, to some extent.

Mr. E. W. Sopha (Sudbury): Has the Provincial Treasurer (Mr. MacNaughton) read this morning's editorial?

Hon. Mr. McKeough: I would suggest that perhaps tomorrow morning you could ask the question before the orders of the day and find that out, but I do not think it is germane to our discussion.

Mr. Sopha: It is in your department; the editorial relates to your department.

Hon. Mr. McKeough: It is in both our departments.

Mr. Sopha: I thought it was a good editorial.

Hon. Mr. McKeough: Yes, I have read it; I do not know whether the Provincial Treasurer has or not.

Mr. Sopha: A good editorial, did you not think?

Hon. Mr. McKeough: I have a great admiration for the *Globe and Mail*. The beginning of that editorial indicated that it was the responsibility of the provincial government or the Ontario municipal board, I think, to control—I have forgotten just what the words were—I am not—

Mr. Pitman: Civic spending that appears excessive or ill-advised.

Hon. Mr. McKeough: Right!

Now, I am not sure that it is the function of the Ontario municipal board to determine whether something is ill-advised—perhaps excessive, but not ill-advised. I do not know

that that is the function of the government. We are concerned, and I do not want to make a speech about local autonomy, but we have had all kinds of talk here during these estimates, which has been most interesting, about building effective units of regional government. Surely, a borough of several hundred thousand people and a board of education, and a Metro board must be regarded as effective units.

I think what Mr. Kennedy and the board are very concerned with, and certainly the policy of the government is that they should be concerned with it, is the particular relationship of a project, or group of projects, to their ability to spend that amount of money, their ability to borrow. I do not know whether it is in Mr. Kennedy's prerogative—really if we are trying to create strong units of local government—to decide whether portable classrooms which are not before the board, or the replacement of portable classrooms at that particular point, are before the board, or whether they should be, or whether it should be an education centre.

I have heard Mr. Kennedy on one or two occasions, I suppose, tell me that he personally was violently opposed as a ratepayer to something which some municipality was proposing. But he does not look at it in that view, he looks at it in relation to their ability to spend the money, to their ability to borrow. In other words, he is saying these are local decisions—provided they are within the five-year plan, provided they are within that ability.

Certainly the policy of the government, and also Mr. Kennedy, is to spend a great deal of time suggesting to municipalities that they should establish priorities. I am not going to comment on this particular proposal as I think the borough of Etobicoke would tell you that they have examined their priorities, I think, in this instance. I am not sure of the involvement of The Department of Education. There would not be any grants payable on this building, to my knowledge, because it is not a school biulding, so I do not know just what their involvement is, or how much involvement they would have—but I would think from time to time they would be saying things to school boards about priorities. Priorities, yes, but I would hope we would not get down to determining them at Queen's Park. To me and, I think, to you, it is probably a simple determination as to which is more important—an education centre or a replacement of portable classrooms or an administrative office.

You and I could decide that. But when we get down to a determination of where that school might be—a choice between two locations, or the determination between a school and a recreational area in a municipality's budget, that is properly left with them.

Mr. Pitman: Well, Mr. Chairman, I would agree with what the Minister has said in relation to the local decisions.

I think the main problems which these citizens faced was—and once again I would agree that the mistake in the first instance was made by the Etobicoke board of education—there should have been an opportunity to make their representations, to make their views known. I suppose the Minister would agree that, at the next election for the Etobicoke board of education, the citizens then have another opportunity to state their views. But, of course, the problem by that time is that the decisions that they were mainly concerned about, that is in regard to an education centre, will be gone. The citizens' group's main concern is perhaps a matter unstated in the statutes—that the Ontario municipal board has an opportunity to ensure that citizens have a democratic right to be heard. I think their feeling was that, in this case, this was not clearly set out and defined and that this opportunity was not actually given them.

Mr. Sopha: Mr. Chairman, I would like to make a comment on this. Under the provisions of The Municipal Act, of course, this Legislature has laid down and puts it in mandatory fashion that whenever moneys are to be spent that are not allocated in current revenues, a vote shall be required of all those who have the right to vote on money bylaws. Under The Ontario Municipal Board Act, an application may be made to that board to dispense with the taking of the vote. It is my impression, certainly my experience among the two score municipalities with which I have the closest contact, but beyond that it is my impression that in the overwhelming majority of cases, the Ontario municipal board on application to dispense with the taking of the vote, grants approval to the dispensation. I think really it is only in the rare instance that, in fact, they require the taking of the vote by those entitled to vote on money bylaws.

The one example I can recall, that will, of course, stick in everybody's mind, is the required taking of a vote for the building of the city hall in Toronto and it was defeated. But I forget now the mechanics of when

ultimately that very fine building was built. A great deal more money was spent in its erection than was at issue in the original vote.

Mr. G. Ben (Humber): Four million dollars!

Mr. Sopha: Four million dollars? Thank you. Four million dollars more and it is an anomaly that at that time there was no vote held. But that is illustrative of the place to which these provisions in the legislation have come. That right to vote on money bylaws has become a rather hollow, ephemeral, thing in the municipal life of the province. I would think it is the obligation of the government, no one else's, to rationalize the statutes and to determine, as a matter of government policy, whether the vote shall be dispensed with. That would, of course, eliminate this almost mythological, artificial application to the board. As the Minister said this morning, the board looks at the ability of the municipality to pay. Apparently, though it was never laid down anywhere, the board advised something like a 25 per cent ratio of debt to the taxation facilities. That is said to be an arbitrary figure the board has determined. The government, I would say, has the obligation to lay down some rational approach that everybody will comprehend. Then there will not exist in the statutes what appears to be the right of those ratepayers to vote on this expenditure when, in reality, in truth, the right does not exist. The votes simply are not held.

Now, then, one must also take into account the observations of the Smith committee. In volume 2 they recommend greater flexibility be given to municipalities to make expenditures otherwise than out of current revenues within prescribed and somewhat arbitrary limits. That would seem to me to be a much more sensible approach to the whole thing than this upset. This gives a field day to the newspapers, of course. Every time this problem arises, the newspapers have plenty of material upon which to advocate their stand for or against the contemplated project. In the fall, out of what is going on, the local municipal councillors are either lauded, which is rare, or they are condemned for the action that they propose to take. But then again they are only acting in accordance with what has become encrusted practice in this province. Whenever you are going to make an expenditure where you have to borrow, the application for dispensation with the vote is made at the same time. It is a mechanical thing. I have been a municipal solicitor for 13 years and whenever we do it, we do it that way. There is an automaticity to it. You draw the necessary bylaws and then you draw the bylaw to make the application to the board to dispense with this taking of a vote.

Maybe in the enlightened society those entitled to vote the money bylaws no longer want to be bothered with the vote. Maybe they are just as content, for all we know, to leave these things to their elected council to determine. I merely plead that a very long look be made at these provisions in order to ascertain if they might not be rationalized in the light of present practices and points of view.

Hon. Mr. McKeough: I agree with much of what the member has said. In fact, I would think nearly all. We are taking a look at it. There are a number of situations in the Act where the provisions are different for a police station than they are for a city hall or for a comfort station and a fire hall, for example; and they should all presumably be the same. I would not want to see a vote completely taken away; but perhaps the emphasis should be that there is not a vote unless the Ontario municipal board decides there should be. The emphasis that way rather than the other way around. We are looking at exactly those ideas.

Mr. J. P. Spence (Kent): Mr. Chairman, through you to the Minister, from time to time officials and elected representatives of municipalities are quite alarmed with the debenture debt. Yet the municipalities need many services such as water, sewage, schools and so forth.

Now, how many municipalities—if the Minister has this available—have been turned down by the Ontario municipal board this past year in trying to increase their debenture debt for such services?

Hon. Mr. McKeough: I do not have those figures in just that form. In terms of their five-year programme, I think that could be obtained. I think there were press reports that Mr. Kennedy felt that he had cut back several hundreds of millions of dollars out of this year's programme and there were no screams to me, or to the government. So I assume the cutting was not as painful as it may have appeared to have been.

I do not have those figures. I have known of a number of instances—and I am thinking particularly perhaps of schools—where the

board has said: "No, it can't be done" and with a little working around and a fresh look at it and perhaps trying some new approaches, something ultimately seems to be worked out.

Mr. G. Bukator (Niagara Falls): This information is readily available. I am sure the member for Kent would have appreciated, as we all would, to find out how many of them were refused.

Hon. Mr. McKeough: I will be glad to try to get that information.

Mr. R. F. Ruston (Essex-Kent): Mr. Chairman, with regard to the municipal board, I would think, in a case where they have annexation hearings, and I look to the Windsor area and see rulings made by them with regard to the application of the city of Windsor for annexation of adjoining areas. I wonder if their rulings really do not look too sound in that case. We think, for instance, of the township of Sandwich West, where the city of Windsor annexed all their business and industrial and commercial assessment and left the township with only rural assessment and residential, leaving the township in a rather precarious situation, as well as the school boards.

Of course, this is probably policy of the government with regard to regional government and needs some looking at there. But I believe this is very serious indeed when one municipality can be more or less torn asunder by a municipal board ruling, and left then to get on their merry way as best they can. I think this is a very serious situation in that area.

In my own dealings with the municipal board, I found it very fair, and rulings, I thought, were always given very fairly. The only complaint I would probably have is if there was just some method of having a little quicker service. I realize that with bylaws, and solicitors, and so forth, it all takes time. But I am just wondering, if maybe, with the wide range of use that the municipal board is made of now, the many rulings it has to make and a number of different things, committees of adjustment, rulings in large number, that maybe we should have three offices set up throughout the province or some regional areas where these could be made. Or enlarge the municipal board some perhaps, because I believe this does hold up a lot of areas and construction and so forth.

I would just like to go on record, Mr. Chairman, that I believe that the rulings I have seen in most cases of the municipal board have been satisfactory, but I think the method of their operations could stand some considerable improvement with regard to time.

Vote 1406 agreed to.

On vote 1407:

Mr. Bukator: I was wondering—

Mr. Chairman: I would point out to the member that item 1 of 1407 was discussed under vote 1402 under community planning and it has been passed.

Mr. Bukator: I see. I was not here yesterday, I was out of town. I think I could touch on the subject on the next item then because it all pertains to municipalities and grants to municipalities.

I am sure that the Minister has been confronted by municipalities that are about to be annexed, or agreeing to become merged with one another, but the grants structure seems to be the hindrance here. Has the Minister any comments to make? I am concerned about the Niagara peninsula and when it becomes one —and I am sure it is not too far off—the grant structure, as you know, for school purposes, is 60 per cent in the rural townships where it may be only 17 per cent in the city. And you have no doubt looked into this matter.

Is there a possibility of having these figures before the annexation, or before the merger, whereby the elected representatives can rightly say to their people who elect them to their offices of reeves and councillors, that we would like to be part of the larger and better administration in many cases, if it is a larger city, providing that we are not hurt when it comes to the tax dollar and grants? Because on bridges in townships they get 80 per cent and in the city you only get 33.3 per cent, schools you get 60 instead of 20 in the city. Now, just to be called a city, or a larger administration, and have to pay more in tax dollars is not quite the answer to the problem.

Grants for school purposes have been increased and I think when the day comes—and I hope it is soon—that the province takes over a larger share of education costs, then the municipalities would not have, Mr. Chairman, these arguments that they have now. Why should we become a larger area and have to pay more on our taxes?

I am wondering if the Minister would have some comment on that that I could take home to my people because I know this is serious and I am sure it is not too far off before the

Mayo report or something like it, will be implemented.

Mr. Chairman: I would just say the member's remarks were somewhat out of order in relation to this particular vote. I am sure he realizes it, if the Minister would like to provide answers I am sure the committee would be pleased to permit it.

Hon. Mr. McKeough: Yes, I do not know where it might have been more appropriate, it really is not under this vote. But we try to provide these figures. They are rough, they are estimates, because they are based on so many unknowns, you do not know what savings are going to be, you do not know what increased costs are going to be, but we do try to provide these very rough guidelines whenever we can.

I suppose I could say this, that perhaps we do not put as much stress on them as we might if we are convinced that greater equity is going to be achieved, if I can put it that way, in relationship to the burden of real estate taxes in two communities. Now, the matter of grants is of concern to me, for example, policing arrangements. I think we have to come to grips with some of these situations so that municipalities will not be badly hurt in terms of provincial grants.

Mr. Chairman: Anything further on items 2 or 3 of vote 1407?

Mr. Ben: Mr. Speaker, I rose yesterday with reference to item 3, The Municipal and School Tax Credit Assistance Act, and I asked the hon. Minister how many people had availed themselves of the loans under this particular Act. I would also like to know, how much, if any, has been paid back under this particular Act. I ask those questions with reference to the municipality of Metropolitan Toronto.

Hon. Mr. McKeough: I have the information for the hon. member. Last year there were 132 municipalities which participated. There were approximately 2,600 loans made, for a total of $363,000, of that, 1,130 loans were in Metro for a total of $164,000. I do not have the figures as to how many have been paid back. I think probably we could get that up to a certain point. The only other comment is that so far this year there seems to be an indication that there will be more loans throughout the province. The activity seems somewhat higher but that really is just a guess at this time.

Mr. Ben: Can the Minister speculate as to the number of people in the Metro area that would qualify for these loans?

Hon. Mr. McKeough: No, not offhand. Many more than that number, I am sure of that. I have a note here. I will get the information for you but actually we make the loan but Treasury gets the money back. So those figures would come from Treasury rather than us, as to the number which have been discharged—we can get them for you.

Mr. Chairman: Anything further on items 2 or 3?

The member for Peterborough.

Mr. Pitman: I wonder if I could ask the Minister whether special loans or grants are made under this vote which will allow a municipality to carry a particular project. In view of the discussion we had here yesterday, in terms of the need for town planners and for people who are concerned with environmental studies, I think the Minister must have been somewhat disconcerted to read in the paper this morning the fact that York University is requesting Metro Toronto to provide them with a grant which will allow them to build a new public administration building.

Now, they have not been turned down, but it looks like the same thing which happened on two other previous occasions may happen again and I think the Minister would be, I would imagine, concerned that this very important institution which would provide the kind of personnel we were talking about so much yesterday afternoon might not be built. I am wondering if under this vote it is possible for The Department of Municipal Affairs to make any kind of a special grant to allow a municipality to provide for this very much needed facility in the province of Ontario.

Hon. Mr. McKeough: No. There is nothing under vote 1407 or any of my votes which would allow me to do that.

Mr. Chairman: Anything under vote 1407?

Mr. Deacon: Mr. Chairman, in item 2, loans made as approved by the Lieutenant-Governor in council. What type of loans are envisaged in this provision? What sort of interest rate term, and is there any forgiveness?

Hon. Mr. McKeough: No. These two items are for this year's estimate, Elliot Lake and Manitouwadge. Neither one of them is in a

position to start paying back yet. These are the loans which we are making to Elliot Lake and Manitouwadge.

Mr. Deacon: Why are these municipalities not resorting to the normal provincial fund for borrowing? Why is there a special item set up for them? Could they not go to—

Hon. Mr. McKeough: This is deficit financing. Both of those municipalities were, as you are aware, in very serious trouble and they are still financing at a deficit.

Mr. Chairman: Anything further under vote 1407?

Mr. F. Young (Yorkview): Mr. Chairman, might I ask the Minister in connection with The Municipal Works Assistance Act, what is the status of that Act at the present time?

Mr. Chairman: This is a statutory item and not debatable, although the Minister may provide information if he wishes.

Mr. Young: I just wanted to get the question in, because this Act was one which was supposed to be temporary and suddenly it is a permanent thing.

Hon. Mr. McKeough: It is wound up. It wound up on March 31 last, I believe. The moneys which are here are to wind it up.

Vote 1407 agreed to.

Mr. Chairman: This completes the estimates of The Department of Municipal Affairs.

ESTIMATES, DEPARTMENT OF MINES

Hon. A. F. Lawrence (Minister of Mines): Mr. Chairman, in attempting to prepare myself for the first presentation by me of the estimates of The Department of Mines, I originally envisaged that I would be able to take the members of the House on a glorified verbal tour of discovery of The Department of Mines, but then I have concluded that this late in the session, and also perhaps with some of the more experienced members of the House especially from the north being more knowledgeable about the department than I am, that this would not be a good idea and it might show up my own inadequacies.

Therefore, rather than do that, I intend to get into three main topics on these initial remarks in any event.

Number one, a discussion on taxation policies of the government affecting the mines and especially the recommendations of the Smith committee.

Number two, the question of the treatment in Canada of Ontario ores.

Number three, a discussion of the Texas Gulf situation.

Before getting into the meat of the thing, though, I must say that one reason I feel sorry for some of the new members of the House, in this session, is that they have not had the opportunity as I had for nine years, to sit over here on these benches with a great fellow, a great man of northern Ontario, my predecessor in this office, the then Hon. George C. Wardrope. I cannot say anything more laudatory about Mr. Wardrope and his membership in this House and his conscientiousness to duty other than to say that dear old George was a great guy. The fact that he is not here, political bias or partisanship aside, makes the members of this House the losers. I am finding that his knowledge of the north and his knowledge of this department make his shoes rather hard to fill.

In respect of the estimates, sir, you will note that there is roughly, in round figures, about $500,000 increase in the estimates of The Department of Mines this year over last year.

There really are not any grand new programmes which are envisaged under these amounts, and I hope the hon. members will appreciate that being appointed, I think the usual term is elevated, to the Cabinet on the day before this House opened means that I am in the position where I am attempting to pilot through the House, estimates of which I had no hand in the formulation, the preparation; no part in the departmental routine in setting them up; and certainly I had nothing to do with getting them through Treasury board, Cabinet or eventually getting them into this House.

I must assure the members that I hope there will be changes in these estimates and the amounts concerned in relation to next year, but this may be a fight that I will have on my hands with Treasury board for next year.

Anyway, let us get down to the meat of the thing. I wanted to say something about the present taxing system and the Smith committee report. Since my appointment I have attempted to do a little bit of travelling through the north, and to meet those associated with the mining industry and those affected by the mining industry in the north.

One thing I am attempting to point out to them is that in my readings of the briefs and presentations that have been made to the government respecting the overall reform of Ontario's taxing powers and tax procedures is the fact that a lot of people are not happy with the existing system, or perhaps even the quantum of the taxes raised by this province from the mining industry.

That is number one.

Number two, is that a lot of people, and perhaps this includes members of the government, are not particularly happy with most of the recommendations in the Smith committee report as they deal with the mining industry and the mines tax and the mining municipality grants.

This is fine. This is the way democracy works. I think the government of the day wants to hear these views and opinions.

The one thing that does surprise me, as I read these briefs; as I have representations made to me, as well as presumably to the Provincial Treasurer (Mr. MacNaughton); and as I sit in on some of the sessions of the current committee in dealing with this matter, is the fact that these points arise again and again.

The present situation is not exactly what it should be. The Smith committee recommendations in respect of the mining industry perhaps will not improve the situation. Other than that, we do not appear to be getting anywhere.

I would like to hear, and have emphasized to the people of the north and those in the mining municipalities and in the industry, that there is no question about it that Ontario's tax base has to be diversified and widened.

The existing system may not be that wonderful, and the Smith committee report recommendations may not be that wonderful and may not be the answer and, therefore, please would people start coming along with constructive alternatives to what these two aspects as they presently exist, and to the existing conditions, and to what the Smith committee recommended.

I am not saying that this applies to all briefs or presentations, but having recently gone through the transition in the government that I have, I certainly appreciate that it is a much harder job to come up with new answers than it is to sit back and criticize other people.

Certainly, as the Minister of Mines, when this matter is determined and when the government does come up with these answers, I do not particularly want to hear people come out with a wholesale condemnation of that answer if they have not gotten off their fannies, and come up with some worthwhile constructive solutions themselves, while the matter is being debated, and determined. You can believe me that this is a matter that is receiving the most serious consideration right now.

The opportunity, both publicly and privately, is present to anybody who has constructive ideas to present them. My chore over the last two months has been to go over the north and talk to people in the mining industry and emphasize this to them. If they have got a suggestion, now is the time to make it, either publicly or privately, it does not matter which. This is the time for people to make their voices heard, and not after the government comes up with solutions.

There is one other matter with respect to taxation that does concern me. That is the feeling, in some quarters, that the mining industry in the province is not paying its way as far as tax revenues are concerned to this province.

There is one aspect of this that relates to the federal government, as I said, that does irk me, and that is this: that even though it is the provincial responsibility to provide services, and to provide the atmosphere for increased exploration in the mineral industry, and to help production of mines, the lion's share of the tax revenue in this country goes not to the provinces, but to the federal government. It is not the federal government that has to provide these services, and they are expensive, to the northern mining industries, and municipalities.

This is an iniquity which should be rectified. Unfortunately at the moment, the mining industry is the ham in the sandwich. I think that there have been repeated attempts by the government, and the predecessors of this government, to make successive governments at Ottawa see the light, in regard to our natural resource industries—so far, without much help, and without much success. I would like to emphasize, as strongly as I can, that this is an unfair arrangement. The provinces in the country do have the duty and responsibility to oversee our natural resource industries, and at the same time, in fulfilling the responsibilities, as I think that this government is now doing with respect to the provision of schools, roads, and health services, townsites, and pollution. These are all provincial responsibilities and

they are all expensive services that must be provided by the provinces.

Yet, when you go down the record, you certainly find that when you go right into the figures and percentages, the federal government takes the lion's share of taxes taken by any government from the mining industry. In my view, this is inequitable. I must say that if the hon. member for Sudbury had increased duties in this House, and had to sit and take a wider view than the perhaps parochial pump-house view that he has taken in respect of mining municipalities' grants, and the situation in Sudbury, I am sure that he would realize, along with a lot of others who are now thinking of looking at this subject, that again welcome to the situation where the mining municipality grant system in this province does not hold all the answers that it should. That there are inequities I am cognizant, and there is no question about it.

However, if you remove this situation, you go back to the dog-eat-dog days prior to 1953 or whenever it was that the mining municipality grant was instituted, which system, at that time was acknowledged by anybody and everybody to be unfair and inequitable. For this reason, the mining municipality grant system was instituted. There is now strong demand and pressures and the hon. member for Sudbury has joined the bandwagon—

Mr. E. W. Sopha (Sudbury): Indeed he leads it!

Mr. D. C. MacDonald (York South): You joined it; not led it!

Hon. A. F. Lawrence: —to have the mining municipality system changed and presumably to revert to the old system.

Mr. Sopha: The government looks bad in this area.

An hon. member: So why are you crying?

Hon. A. F. Lawrence: I, again, am not saying that the current system holds the answer to the matter. There are those who feel that this is the best choice of a number of evils.

Mr. Sopha: Inco has made the government look bad in this area.

Hon. A. F. Lawrence: But if you have to look at the overall interests of the province of Ontario as a whole, and not just a select little area—

Mr. Sopha: It is the most important area.

Hon. A. F. Lawrence: You have to look at the interest of the north as a whole, and I do not see how any rational person, having in mind the interest of the whole, could come up with the answers that the hon. member for Sudbury now is propounding.

Mr. Sopha: Half of the mineral wealth of Ontario is in Sudbury.

Hon. A. F. Lawrence: Now, I apologise for going back to the tax situation, but let us get back to the ore situation. In respect of the ore situation, it has always been the policy of this government, as far as I can see in my readings and as far as I can interpret the statutes, to encourage, and to have incentives, for the treatment in Ontario of ores mined in Ontario. One section of The Mining Act does not speak about Ontario, it speaks about the treatment of ores in Canada, and this is something that perhaps during the discussion of these estimates some viewpoints could be expressed *vis-à-vis*. The treatment in Ontario *versus* the treatment in Canada. I would like to hear some remarks respecting this.

Mr. Sopha: It is refined in Norway and Minnesota and New Jersey.

Hon. A. Grossman (Minister of Correctional Services): Order, Mr. Chairman!

Mr. Chairman: The Minister is speaking without notes, so let us give him a chance?

Hon. A. F. Lawrence: It has always been the policy of this government, as far as I can see, to encourage, and to greatly encourage, the treatment, certainly in Canada, and perhaps in Ontario, of ores mined in Ontario.

Examples of this, of course, are present with us right today in respect of the iron ore situation, and in respect of the production of nickel. There are special allowances in respect of both of these—of the ores that end up with the production of both of these metals—there are special allowances and special incentives in our current taxing system in respect of both of these metals, and they have been highly successful, in my mind, in following up the general objectives of government.

Now, having said that I want that as the background for anything more that will follow here in a minute. Under that general principle it is certainly, perhaps, the time to seriously consider—and the government is now seriously considering—I want to emphasize this, that perhaps incentives and perhaps

holding tariffs in this particular area may not be the answer, due to certain recent developments in the mining industry. I think it is only fair to be frank with the House and with the public, and with the mining industry, to indicate to you, Mr. Chairman, that the government is considering dropping the role of merely adding incentives to this particular field. The government, at the moment, is seriously considering whether or not the time has come to insist upon this. But it is not just a black-and-white issue, and sometimes I wish that members in the House especially, and some people in the mining industry, would stop considering it as a black-and-white issue, because there are many, many factors to be considered.

For instance, I am informed in respect of radioactive materials produced that, first of all, the treatment in Ontario of all of the radioactive ores that would be and could be produced in this province would be the height of folly. First, because of the very expense in respect of the treatment of that type of ore and, second, the fact that the shipment of, for instance, uranium ore in the yellow cake form is by far the most convenient and the least dangerous to everyone concerned. So right off the bat an exception would have to be made—as it has been made in the past—to certain of the radioactive materials.

Secondly, let us take the case of iron ore produced in Ontario. There have been great technological changes made in the last five years in respect of the production and treatment of iron ores. The pelletizing process has opened up a wonderful new world and a great potential for this province in respect of the exploitation of the low-grade iron ores of this province.

But the thing we must always remember is that the finding of low-grade iron ore properties is not confined by any means to Ontario, that there are known deposits of low-grade iron ore not only in Ontario but outside of Ontario which could and will and must be a very great competitive factor in anything that we attempt to do in this province. The main problem in respect of the iron and steel industry in this province and the production of these ores is that there has to be vertical integration of the industry in respect of this.

What I am saying to you is that it is easy to know and to find low-grade iron ore deposits. The thing that it has to be tied in with very, very closely is the treatment of the iron ore. There has to be in the way in which the industry has developed over the last 10 or 15 years a very close connection; a very close arrangement between the producers of the iron ore and the owners of the blast furnaces and the rolling mills.

I can tell the members of the House right now where there are tremendous low-grade iron ore potential areas in this province, and it has been known for 20, 30, 50 years where these areas are. They are not being utilized at the moment, solely and simply because there is not the capacity to treat those ores in Ontario; and because it is the view of those in the industry that there is not that much of a market, or there has not been that much of a market.

So I am saying the treatment of iron ores in Ontario is not necessarily the answer. Nevertheless, through the guidance and, I think, the incentives instituted and carried out by this government over the years there has been a great development of the iron and steel industry and the production of iron ore in this province. It is a very touchy situation that in my view, and in the view of my advisors, should not be upset by any hurried legislation which would insist upon the treatment of all iron ores in this province at the moment.

Also, I may say to you something that is not known widely in the province, there is the fact that the amount of iron ore that is exported from this province is balanced in any event by the amount of iron ore that is imported into this province and treated in this province.

So that in respect of the iron ore industry and the iron and steel industry such insistence in our legislation that all of this ore that is produced here be treated in Ontario would not gain anything economically for the people within the province, or the people within the industry at the moment—and I stress at the moment.

Mr. MacDonald: Where is it imported from?

Hon. A. F. Lawrence: I am not too sure, I will get that information.

Mr. MacDonald: From Labrador?

Hon. A. F. Lawrence: No. No. It is imported from the U.S.

Now, the tightrope which I think this government and any government has to walk in respect of the whole question of the treatment of ores in this province is the fact that this is not a regional problem within the province. It is not even a northern Ontario problem. It is not even a provincial problem. It is not even a national problem.

It is an international problem, in that in this day and age, with ease of transportation, we have to be extremely wary of upsetting some of the very fine balances that now exist in the mining industry. We can make all the goofs we want in this day and age, but in respect of the mining industry it is an awesome responsibility to take upon one's shoulders—the fact that if we upset this balance today, we may not even know about it today.

Our children may not even bear the responsibility for the goofs that we could make as a government today. The mining industry especially is based upon such long-term plans that these are factors that may not even come to the surface until the time of our grandchildren. It is a tightrope that this government and any government has to walk—especially in relation to the mining industry—when one starts interfering with some of these matters, the main factors of which are outside of our control completely.

Mr. Sopha: Some of them are outside of our country.

Hon. A. F. Lawrence: Precisely. Exactly the very point I am making. In any event I hark back to my general overall principle—that it has always been the policy of this government to have incentives, to have this done, and it may be—the government is now considering it—that this matter should be insisted upon in our legislation. This and similar problems are receiving the very serious consideration of the government at the moment.

Now, the final item that I wanted to get into was the question of Texas Gulf, and Ecstall mining company. I reiterate to the members, Mr. Chairman, that I was appointed to the position on February 13, 1968. Within seven days, I had officials and the top people of Texas Gulf into my office and, to put it bluntly, we have been putting the heat and the pressure on Texas Gulf ever since; innumerably, in all sorts of ways.

But it astounds me the amount of misinformation that does reach the press about some of these things. I think, really, the best way—because I do not want to take too long—is that we get back to the "what", and the "where", and the "when".

People talk about the Texas Gulf smelter. There is no such animal, of course, and this is perhaps what we are trying to rectify. But we are not dealing with a smelter. We are dealing with two types of smelters, I hope, a copper smelter and a zinc smelter, and the two are most unlike. For the benefit of the members of the House, the copper produced at the Kidd Creek mine of Ecstall Mining Corporation is sent to Quebec, and the copper that is produced by Texas Gulf is being refined in Canada.

It is outside the province, but I hark back to my earlier words of warning to you, that I would like to hear some discussion by the members in this House as to whether or not we want to deal and we want to insist upon Ontario treatment *versus* treatment in Canada. So I just bring that point to your attention. The copper that is being produced is being produced or refined, smelted, in Canada at the moment already.

The other question, of course, is the zinc smelter. Now, in no uncertain fashion we have let it be known to the Texas Gulf people that changes do have to be made in their procedures and their system, and that both of these products should be produced in Ontario. And, while I have indicated in the past that we should not discriminate for or against a single company, or for or against a single area, I can tell you that it is the hope of the government that there will be a new copper smelter built to process and treat the copper ores produced at the Kidd Creek mine of Ecstall Mining Corporation in the Timmins area. And the company, since my elevation to the Cabinet—if that is the right word—has retained the Ralph M. Parsons Company, an international firm of mining consultants, with offices in Toronto, New York and Los Angeles, to present a very expensive feasibility report to them. This is a study of the processes of a copper smelter and the economics of the situation. Of course, the economics of the situation will deal with the location of the projected smelter, and the capital and operating costs, as well as the process. We are interested in all of these matters. We are interested obviously, as I have indicated in no uncertain terms to the company, in the location.

But we are also interested in the process. The reasons for this, of course, are the continuing problem in regard to pollution in this field. There have been errors made in the past—there is no question about this—in relation to the lack of government insistence in relation to certain metallurgical processes in regard to the smelting situation. We want to make sure that the pollution problem, which some of the citizens of this province have had to put up with in the past, is not repeated by any new ventures.

Obviously, then, we are interested in the process of the smelting of the copper and where it is going to be done. It is certainly

the hope and the wish of this government that the copper smelter be built in the Timmins area. I can also indicate to you that the latest word I have had from the company is that the studies they now have taking place for them are dealing with the situation, and is directed along the course of action that the copper smelter will be built in the Timmins area. It may not be built in the Timmins area; I do not want anybody to come to me and say, in later years, that this government promised that it would be in the Timmins area. But I can tell you that we have let the company know that we would like it to be built in the Timmins area, and the company has indicated so far an agreement with this.

The hon. member for Sudbury will be amused with the reaction of the company officials when I mentioned this rumour—I am not so sure whether the member for Sudbury initiated it or was just spreading it in the House the other day—but he will be amused at the reaction of the company officials who were quite incensed. I have just one word to describe it, and that is "garbage". They have not, do not, and will not contemplate building either of their smelters in Quebec. Now in regard to the—

Mr. Sopha: Where is the zinc smelter to be?

Hon. A. F. Lawrence: I beg your pardon?

Mr. Sopha: Where is the zinc smelter to be?

Hon. A. F. Lawrence: Well, wait a minute, let us just finish the copper. They now inform me that they will be in no position to make the final determination of the process, or the economics of the situation—and basically it is an economic situation—in regard to the copper, until this expensive, far-reaching report is in their hands. This report will not be in their hands until the end of this calendar year.

Now, in regard to zinc: the same heat, the same pressure, has been put on Texas Gulf and Ecstall in the same manner as the copper, with one exception. I am speaking very frankly and bluntly to the House, now, in relation to the location of the zinc smelter. Ontario, at the moment does not have a zinc smelter. There are, I am informed, literally hundreds of small zinc potential areas scattered throughout the length and breadth of Ontario's north country. They have been very seriously handicapped, as far as production and exploitation and exploration is concerned, because there has been in the past no single area which would produce enough zinc in this province to make it economically feasible for a zinc smelter to be built in the province.

This has now, of course, all changed due to the fortuitous of finding—right under the noses of Ontario's mining industry, of the immensely rich ore body at Kidd Creek mine in Timmins. Therefore, we have indicated, again in no uncertain terms, to the Texas Gulf company that a zinc smelter in our view should be built in Ontario as rapidly as possible, and as soon as possible. I am no technical person at all, Mr. Chairman, as you will appreciate; but I understand, as far as the metallurgy is concerned, zinc has a number of very great problems in respect of the separation, concentration and smelting thereof.

There are very great problems, or there could be very great problems in regard, I understand, to pollution as well from zinc. The erection of a new smelter in Ontario, a zinc smelter, does require a great deal of study. Again, since my elevation to the Cabinet, the Ecstall Mining Corporation has retained again, I am told, a very well-known firm of international consultants by the name of Allan Jeffson and Associates, again to do a study of the processes, the economics and the location of a zinc smelter, with the difference in respect of the zinc smelter that it be located in Ontario.

In this regard, we feel that it is not our position to dictate to this particular company where this smelter should be located, because this will have an even greater economic impact, we hope, on a number of these smaller mines, or what could be smaller mines in Ontario. This is something we feel they are better suited to figure out than we are. Quite frankly, and therefore the pressures that have been put on the company do not relate in respect of the zinc smelter to the location of the zinc smelter.

Mr. Sopha: Well, you are not making yourself clear to me. Is it to be in Ontario?

Hon. A. F. Lawrence: Yes, we would like it to be built in Ontario. The studies that the company has now commissioned are on the basis that they be in Ontario, not necessarily in the Timmins area.

Mr. Sopha: North or south?

Hon. A. F. Lawrence: At the moment we are not differentiating to the company our

insistence that it be built in any area, north or south.

Mr. Sopha: That is all right.

Hon. A. F. Lawrence: There are greater economic problems in respect of shipments. There are greater problems in respect of other materials and power and what-not needed in respect of zinc than there are in respect of copper I am informed.

Mr. Chairman: Order, please!

Hon. A. F. Lawrence: This is a greater problem, but again we have been assured by the company that it will have this very expensive, and I hope, very comprehensive report in its hands by the end of this calendar year. Under the circumstances, I do not feel that, at the moment, we can put any more pressures on this particular company in respect of these two types of smelters than we are putting. Certainly, what pressures we have put on them and the heat that has been turned on them so far has been quite productive in the last couple of months.

Mr. Sopha: This is a good Minister of Mines.

Hon. A. F. Lawrence: Now, I am in trouble.

In any event, Mr. Chairman, those are the three main topics that I did want to discuss. Of course, I hope we will have a frank discussion on the administration of the department as we go through the estimates.

Mr. R. H. Knight (Port Arthur): Mr. Chairman, I certainly consider it a privilege and an honour to be lead-off speaker for the Liberal Party on a department of government which legislates and assists a billion-dollar industry, an industry which has not only been a money-maker for the affluent investors here in southern Ontario, but, of course, has been a developer of the rich underground wealth of the part of the province I call home: northern and northwestern Ontario.

Mining can do this province more and more economic good. Just how soon we will enjoy the full potential benefits of that great untapped underground wealth up there depends on the effectiveness and progressiveness of legislation we here in this assembly enact, on the aggressiveness and ability of this department, added to what those in the industry are willing to do.

At this point I would like to congratulate the new Minister of Mines on his appointment and also on the tremendous opening speech which he gave us here today. I think he promises a great deal. May I also inform him that many mining authorities in our area have already commented quite favourably on this decision of the Premier, (Mr. Robarts) and they look forward to big things from this Minister, and if the type of dynamics he has displayed today is a true indication of what we are going to get from him and his department then I think the outlook for mining in this province is very good indeed.

Now, while there is much jubilation that Ontario has broken the billion-dollar mining production barrier—witness the front page of the 1967 annual report complete with jet —we all know that there is a multi-billion dollar mining production potential in this province, and it should be this Minister and this department's aim and responsibility to go after it with all haste and efficiency.

But how in the world can they with this annual budget of $4,438,000? That is only $3 million more than this House voted for horse racing, and it is almost $6.5 million less than we are giving to The Department of Lands and Forests, a department which runs a deficit and has nowhere the potential of mining.

Now, let us not forget that we voted $10,875,000 to tourism, and I am not aware that tourism is a greater industry or of greater value necessarily to the province of Ontario than mining.

Please do not misunderstand. I am all for this province's annual investment in Lands and Forests and Tourism and Information, but surely mining, with its great future and value to our economy, warrants an equal financial stimulus.

You know, after all these years, and this department was established in 1919 when it was separated from Lands and Forests, we do not even know the extent of our mineral wealth. From what I am told me only know a fraction of what we actually have and this bothers me quite a bit. This department's efforts at aerial magnetometer surveying, while commendable, is far too shallow and too slow. It will take many years to completely survey our province at this turtle's pace and that is a description that was given by a prospector I know quite well, far more than it would if we channelled more funds into this high potential area. It will pay for itself many times over in future mining production and economic development of the north.

I understand, meanwhile, certain private enterprises already have this province surveyed from end to end and I hope the Minister will find that out for sure before the end of his term. What is more private industry has gone into the more in-depth surveying by use of the more advanced aerial electromagnetic surveying equipment, with which from a plane technicians can ascertain electro-conductors in the ground: nickel, iron, copper being electro-conductors, while our department of government is still trailing far behind with the old aerial magnetometer survey system which, of course, detects the magnetic properties in the terrain below, but is not anywhere near as revealing as the electro-magnetic equipment.

Now, this is why we need more money in this department. We have got to speed up the mapping and the field work, so that our prospectors will have more to go on.

Every mine in this province I am told and that seems reasonable, was discovered and staked by a prospector. It seems logical that if you give him the tools and the help, he will stake every piece of untested ground in the north. Then we will know where we are going and what our mining potential really is.

But it seems to me that the Minister sounded a note of warning in his speech today, and a note which worries me a bit. One would almost think that he will ask for less for this department next year so that the department will not be able to move ahead too quickly because he seems extremely wary and extremely cautious.

Today I would like to call on this government to put more money into mining, and I call on this Minister to use it to put more advanced and thorough surveying methods into practice, to increase drastically the surveying and the mapping programmes, because the faster and more effective the field work, the faster our mining production will climb and the sooner this entire province will benefit.

I said that there was not a mine in Ontario that we did not owe to the hard work, know-how and courage of the prospector. I meant it. Yet what acknowledgement does this government actually give to the importance of the prospector in this whole scheme?

I get the impression that The Department of Mines is moving away from the prospector and is completely concentrating now on the mining companies.

What incentives does current legislation offer the Ontario prospector?

I have looked through The Mining Act and the report of the department and I do not see very much incentive really for the prospector, for the little man who goes out and actually discovers this ore, who does all the footwork. Very little or none. One the contrary, some of our mining legislation is so outdated it acts as a deterrent to mineral discovery and as a discourager to prospecting, and I plan to mention some of the legislation which I feel to be outmoded.

First let us have a look at the prospecting activity in 1967. It is right here in the annual report on page 18. It says mining claims recorded in Ontario in 1967 were down 6,826 when compared with the year previous. Further, it states the number of mining licences issued and renewed last year was down by 1,433 for 1966.

Why? Ask the prospectors, as I have. This department in no way is encouraging new people into the mining field, and it is offering small incentive to those already in it. The select committee on mining in 1966 recognized this when in their recommendations in this report they included: on page 63 a whole section on classes and special training and aids for prospectors.

I understand the department is making some effort in this area, but I think that what it does for prospectors has got to be extended far beyond training.

If we are going to speed up the process we must go much further. When a prospector heads into the hinterland he has to stake himself. Some search for years without hitting paydirt. But when one does, this whole province profits. The average prospector does not make that much out of a find.

These men are working more for us than they are for themselves. They are making our natural resources pay off for us. Ore that has laid idle since the beginning of time begins working for us only after it is discovered, and the handful of men among us who have the ability to go out and look for it, and find it should be elevated to a much higher position of importance in this Ontario society.

I am making a pitch on behalf of the prospector. I know quite a few of them; they figure they are a forgotten race. It is fine and dandy to talk about mining taxation and so forth, Texas Gulf Sulphur and so forth, but what about the man who started it all away back when, and who continues to

be the beginning of each one of these great discoveries?

Indeed, I think we should be paying them for their work. Rather they are having to pay this government so much just for the privilege of breaking their necks out there in the bush for this province's development.

Does the farmer, for example, have to pay to till the soil? He is subsidized and so he should be because he is developing a resource which is so important to us. But so is the prospector. And his gamble is not entirely unlike that of the farmer.

If the science of prospecting is slipping in this province, and last year's statistics as I have read them would seem to indicate that it is, then the time has come to consider staking the prospector.

But let us do it the right way. He is not asking for a $400 or $500 handout. He just wants some of the burdensome restrictions due to outmoded legislation lifted to make his job easier and more worthwhile.

The prospector and some geologists have told me that the whole psychology of prospecting in geology mining in this province is changing, that the legislation is not keeping pace with this new psychology.

Let us take, for example, the annual 90-claim limit. Right here we are telling him, do not work too hard. All you can stake is 90 claims a year and not more than 18 in a given year in each mining division, and after that you cannot even stake an additional number of claims sufficient to protect the 90 you have. Imagine if the rest of the professions were told they could only work so much in a year or make so much money; they would not stand for it. They would claim unfair legislation. But that is what we do to our prospectors.

A much more practical form of plan would be to leave the ceiling at 90 claims per year, but as the holder sells or transfers a certain number of that maximum he should be permitted to stake an additional number of claims in the amount of those transferred. If he sells ten of the 90 then he should be permitted to stake ten more up to the 90 maximum. Either this or throw out the ceiling altogether.

I think the select committee on mining in 1966 in its report was trying to indicate this when it says on page 29:

> At times of new base metal discoveries, where it is desirable to accumulate large acreage, the limit of 18 claims for licence is a handicap to the licence and the principals. At such times the services of experienced claims takers are frequently at a premium in a staking rush coupled with the use of inexperienced claim stakers causes unnecessary confusion.
>
> The object in permitting, and indeed, fostering claims taking is to promote the development of the mineral resources. The requirements therefore surrounding this activity should be kept simple and in tune with the times.

As long as this ceiling remains on staking we are limiting the whole process of mining discovery.

Needless to say, quickening the pace of our aerial geological surveys will also help our prospectors to do more, inasmuch as the results of these surveys will be placed in the prospectors' hands to guide him in his ground work, save him countless days of searching in barren areas, and getting the most out of all his efforts. These maps and other publications issued by the department are primarily for those interested in mining, and hardly anyone else, so I wonder why the department insists on charging so much for them.

I am told some of these publications or maps cost over $4 apiece. I might be wrong, but this is what the prospectors tell me.

As I said before, the prospector is rendering everyone in Ontario a service. The information contained in these maps, and so on, is vital to his work. We as members of this Legislature have all kinds of reports in front of us that I daresay are worth quite a few dollars. They are given to us to help us in our work, to serve the people, and I think we should do the same thing for the prospectors; supply this material to him free of charge because he is out there, he is working for us.

Sure, he is going to get something out of it himself, but I think we should supply these materials to him as an incentive and to help him to lessen his burden.

The cost of claim filing is another area of hardship for the prospector. Ten dollars a claim is too much. No prospector files one claim at a time. He will file at least 18. That is $180. And if he files a full 90-claim quota for the year, he will have $900 tied up.

Remember, he is gambling on those claims. When he files normally he only has surface samples of the ore there to go on. It takes expensive underground exploration to know whether he is really sitting on anything good.

Some of the prospectors I have spoken to say at least the first 18 claims should be allowed at $5 a claim. That is because these claims are usually staked in blocks of 18 and the lower rate would give the prospector a break on the first block and would be yet another incentive to his work.

This concession this year by the department would at least demonstrate its good will toward the men who work the land and bring up the big finds. It would be an excellent gesture for this new Minister. Certainly this department has got to do something to get prospecting back up to the level it was in 1966.

The question is, is the graph going to continue going down? It has been going up to '66. Now in '67 it has gone down a bit. Is it going to spring back up or is it going to continue going down?

Another beef the prospectors have with this department is the antiquated metal tag system. There are four stakes put down to mark each claim and a metal tag bearing the mining district initials, and the claim number must be attached to each stake at $1 per set. Now these tags can only be obtained at their respective district recording office. Result, we saw the big schmozzle at the Sault Ste. Marie recording office during the Blind River rush. Men had to wait in line for hours to buy tags, and at one point the office ran out of metal tags. Prospectors feel the day has come to issue an all Ontario tag, never mind the district. The number is all that is needed to identify the claim.

Then anyone heading into a remote area for claim staking need only stop at the closest Ontario mine recording office and buy his tags. A prospector travelling up north of Armstrong, for instance, could pick his tags up in Port Arthur, instead of having to fly to Sioux Lookout to the recording office there before going into the property. It is just a needless process that is antiquated, and it is one more delaying factor in the whole Ontario mining system, which I think we agree now should be speeded up.

We are certainly hopeful that this aggressive new Minister is going to have the courage to go after these things. They may be fine points but they are important points. When I spoke to the prospectors and geologists up my way, these are the things that they called to my attention, so they must be important points.

Mr. Chairman, we have two types of prospectors. Those who are contracted to the big mining concerns on one hand, and, on the other, the small independent prospector. There is really little comparison between the two. The first is completely secure—backed up by big money and all the aids of the progressive mining industry. The second is on his own with only his own finances and the assistance of, perhaps, a few associates in his efforts. He has only the results of the research and surveys of this department to back him up.

His is the greatest risk. His work is carried out at the greatest personal sacrifice. I think it is time this province enacted legislation which would differentiate between the two—they are not in the same category. All of the price tags this department places on its various services, I think, are readily met by the company prospector, but to the independent operator each cost is another burden, another hurdle. It seems by far easier to put them all in the same fishbowl and administer them together. There is little enough spirit of independence left in this country. Let us not flog one of the last vestiges of adventure and individualism we find in these independent prospectors until they too, are forced into the clutches of the big companies. This department should rather assist these strong-hearted men to stay on their own feet.

This year, the new Minister announced a very bold move on the part of his department. That was the increase in acreage tax on the annual rental for surface and mineral rights from 25 cents to $1 per acre. I join with many others in commending him and his department for this. It is the kind of move that will speed up use of our rich mineral resources. It should be a good inducement to those who have been sitting on some of Ontario's mineral wealth to develop it, or transfer it to some other party who will. This was one of the recommendations of the select committee on mining which the department did act on. Let us hope it will do some good. As long as this mineral wealth lies idle, my area is being deprived of further progress, revenue and development.

I notice another was the increase from $500,000 to $1 million for development of mining and access roads which we see in vote 1307 of the 1968 mining department estimates. This, too, is bound to speed up the process.

In summation, Mr. Chairman, I would say this department has no cause to sit back on its laurels. The annual production on mining

in Ontario should be many billions of dollars. We have reached one billion. I call on the Cabinet and the government to put more money into mining. We need more and better aerial geological surveys to find out just how much mineral wealth Ontario has. We need incentives for prospectors to speed up the progress of discovery and staking of this mineral wealth, incentives through better legislation that I have brought up here today.

We need more mining access roads to permit the developers to get at the rich ore and bring it out. The report of the select committee on mining recommended greater subsidies in the field of mining research to hasten discovery of better and more economic ways to locate and recover the ore, and I fully subscribe to that.

And I understand that the federal department is, some time in the future, going to launch a geological satellite and I just wonder whether this Minister and this department are investigating the possibility of getting some cameras for the province of Ontario aboard that satellite so as to be fully included in that particular advanced project, because from what I understand, it is going to be a very forward move. It is going to pick up the mining industry considerably, at least we are hopeful that it will, and I hope this Ontario Department of Mines is completely involved in that project, as much as it possibly can be.

But mining, as important as it is to our economy must not be allowed to destroy what we already have—air, water and land—not to cause the discomfort of our people. And so I echo yet other recommendations of the same select committee, that constant vigilance be maintained to avoid pollution of atmospheric air; that all necessary steps be taken to restore and maintain the natural quality of water in the environment.

And I hope that during the course of the discussion of these estimates, the Minister will be able to put the members' minds at ease in this respect and that we will be able to find out just exactly what advanced methods this department is encouraging to protect our water and our air.

I would like to add to this that mining companies be compelled to restore the land as well where they have defaced it on a large scale as we see in some mining communities in this province—where the industries have piled up so much ore slag around in a community that it looks like a piece of the moon. This land belongs to Ontario residents. Mining companies are only leasing the mining rights. No one can give them the right to destroy our God-given air, water and land-scale as we see in some mining communities in this province—where the industries have pany does this, it is giving with one hand to the betterment of the local community and taking away with the other.

The mining industry and the American mining investment dollars give much to our province. We remain indebted to them, but, at the same time, Ontario gives much to them, and this department, this government, this Legislature owes it to the people of Ontario to guarantee that it is the people of Ontario who are the major benefactors of their heritage—the wealth of rich ores that lie below our ground.

I think this is why the front bench in the Liberal party here has argued so intensely about this point, that these mining companies have to pay their own way and have to pay more than they have been paying. It is simply because we want to make sure that our people get just as much benefit as possible out of this natural resource.

Mr. Chairman, I wish this Minister and his department well. As I said at the opening, I am very much encouraged by his remarks, his attitude and his presence of mind in dealing with this very difficult subject.

I know he will do the best job he can. My suggestions are founded in conversations with prospectors and geologists and my own knowledge of the north. I hope he will take them very seriously and they will constitute some contribution to the betterment of mining and to the people of Ontario.

Mr. D. Jackson (Timiskaming): Mr. Chairman, in view of the lateness of the hour, do you still wish me to continue?

Mr. Chairman: I think perhaps the member could continue and maybe pick out a point at which he could break the remarks off properly. There is still almost five minutes.

Mr. Jackson: Thank you, Mr. Chairman.

The hon. Minister has stated he is new to the mining field and I can only say that I started later than he did and I do not have the advantage of a progressive department and the advisors that he has. However, we do have a rather efficient research department and I would like to say right now that anything I can put forward today is because of that research department and if I put it forward in the wrong way, it is not because they have not given me the proper information or

because they have not given me enough, it is because I put it together wrong and I presented it wrong. So I will take the blame for that if necessary.

Mr. Chairman, I have the annual review for 1967 and I consider it one of the most artistic, colourful and interesting reports ever put out by any department of this government. I assure the Minister of Mines, sir, that I do not mean to be sarcastic in my remarks; I did find this report truly interesting and I compliment the department for their efforts. The report is reasonably complete, it is factual, and the facts are well presented. I do believe, at times, it misleads a little bit and I would like to point out one way that it has. It is right in the beginning of the book and it is the portrait of the Minister and I believe they used the black pencil a little bit too heavily. I hope the Minister will correct that.

However, Mr. Chairman, the entire text of this report is calculated to do one thing and one thing only, and that is to point out a rosy and optimistic picture of the mining industry in the province of Ontario. In this they have succeeded. To most of those who read the report it must appear that the coffers of the provincial Treasury are being swelled at an alarming rate, that the riches of our natural resources are providing the people of Ontario, and in particular northern Ontario, with a way of life that is second only to that of the Queen. It leaves the distinct impression on the reader that all is well on the northern front.

Again I go back to the review, and on page 25 we have a picture of a field of rye complete with a pretty girl—

Mr. MacDonald: That is the influence of the new Minister.

Mr. Jackson: And according to the caption, it says "This crop of rye was grown by International Nickel's agricultural department in an experimental plot in the tailings disposal area west of Copper Cliff. It represents further progress in the company's search to find a way of stabilizing the surface of the tailings area." And I have underlined the last part of the caption. It says, "This is an indication that mining operations need not be destructive to the general economy."

As I say, Mr. Chairman, it is complete with the picture of a pretty girl and I was going to go on to say "grown by the International Nickel Company" but I must point out that I think the northerners have something to do with the pretty girls and the company has something to do with growing the rye.

But, Mr. Chairman, I would like to point out something about this picture. Did it not strike you as being just a wee bit odd that a nickel mining company should have a department devoted completely to research into agriculture? Does it not appear odd that the purpose stated in this report is to stabilize the tailings area when for a radius of 25 or more miles the ground has been stripped clean of vegetation by the pollution coming from the smelters? Does it not seem odd that absolutely no mention of the pollution fact is made in this booklet?

It being 12:30 of the clock, p.m., the House took recess.

No. 154

ONTARIO

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First Session of the Twenty-Eighth Legislature

Wednesday, July 17, 1968

Afternoon Session

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LEGISLATIVE ASSEMBLY OF ONTARIO

The House resumed at 2:00 o'clock p.m.

ESTIMATES, DEPARTMENT OF MINES
(Concluded)

Mr. Chairman: The member for Timiskaming.

Mr. D. Jackson (Timiskaming): Mr. Chairman, I would just like to go back and point out part of the caption on the picture on page 25 of the review. It says: "This is an indication that mining operations need not be destructive to the general economy".

I suggest to you, Mr. Chairman, that the facts stated on page 25 of this review are a deliberate attempt to mislead the readers of the review. I do not doubt their factuality, but they are an apparent ruse to lead us away from the more apparent fact that without any possible doubt, mining operations are destructive to the general economy of this province, as well as being an extreme health hazard to the residents of our mining communities.

Our lakes are filled in and lost with tailings from the many mills. The air we breathe and which nourishes our forests and crops is polluted by the air-borne waste from the smelters, pellet plants, rock crushers, and refineries. Our rivers, streams, and lakes are being polluted by human waste because in nearly all of the mining communities the sewage facilities are either inadequate or nonexistent partly because of a lack of planning, but mostly because of a low municipal income and the inability of the municipalities to find a reasonable tax source—coupled with this government's refusal to cope with the problems of the mining communities in a realistic manner.

On page 53—

Mr. Chairman: While the member is finding his place, if I may be permitted, this is a very important day upon which life begins for a very important person in this assembly. I am happy, and it is my privilege to announce, that today is the 40th anniversary of the birth of the leader of the Opposition (Mr. Nixon).

Some hon. members: Hear, hear!

Mr. Jackson: On page 53, there is an excellent example of town planning, and I point to Elliot Lake. This is a poor example of economic planning, but nevertheless a well laid out town with all of the necessary facilities. Once again, Mr. Chairman, this picture misleads the reader. Unless he has actually visited such places as Timmins, Geraldton, Cobalt, and I could name many more of our northern towns, he will acquire the impression that mining communities are things of beauty and luxury, and that every one has the most modern of city conveniences, and far be that from the truth.

One has only to check with the OWRC to realize that the water supply and sanitary facilities in a great number of our mining municipalities are hopelessly overloaded; to realize also that a great number of communities lack a water supply, or proper sewage disposal, and in many cases, they lack both. I have a clipping from the *Northern Daily News*, which is the newspaper which circulates most widely in Timiskaming. It is headlined "Official Report for Timiskaming", and it is a statement by Dr. E. R. Harris, the medical officer for Timiskaming, and he says that:

> There are a great many very poor houses in the area, in fact, many of them are little more than shacks. More and more complaints are being received each year, about substandard housing, and 1967 was no exception. An urgent need for homes exists throughout the area, said Dr. Harris. Some of these dwellings would have been substandard 50 years ago, he said.

Mr. Chairman, I ask the Minister, through you, and every member of this assembly, is that not a sad state of affairs in a province that boasts that in 1967 it produced over $1 million in mineral wealth? The rich get richer and the poor get poorer. The one thing that has now changed, Mr. Chairman, is that the poor are now being joined by a large segment of our population who were formerly earning a living wage, but because of the rising costs of living have now joined the ranks of the poor.

I have been able to gain one outstanding fact from reading this review, and that is today that our mineral wealth is being removed at an unprecedented pace, and as the cover depicts, it is flying away from us. Less and less of the value of that mineral wealth is being returned to the people for a better way of living.

Mr. Chairman, our natural resources are being stripped from our land at an ever increasing pace. The profits and benefits which should be enjoyed by the Canadian people, and the people of Ontario, are being enjoyed by a select few. It is no secret that most of our mineral production is shipped directly to the United States in its raw form, or at best, in its concentrated form. By shipping raw ore to the United States, we provide that country with the industrial raw material that is vital to their growing economy, and with that, I, nor this party, have no real quarrel.

We have the raw materials and they have the industrial capacity to use the materials, but I do object to the shipment of raw material to any foreign country when that shipment is made at the expense of, or the restriction of, our domestic economy, or the growth of our domestic economy.

A smelter built at Timmins to process the ore from Ecstall Mining Company would provide directly and indirectly several thousand jobs for Canadians. A smelter at Timmins would also provide a new source of taxation to aid in reducing the tax burden on the mining municipalities, and the average householder. Instead, we allow the raw ore and concentrates to be exported to provide jobs in Europe and the United States. Neither the government of Canada, nor the legislative assembly of Ontario or any other province, has the slightest obligation to provide jobs for workers in other countries of the world. We, in this assembly, do have an obligation to provide jobs for Canadians and Ontarians.

This assembly has an obligation, and a very pressing one, I might say, to provide jobs for the workers of Ontario. We can fulfil that obligation, to a very great extent, by refusing to allow any of our natural resources to be removed from Ontario until they have been processed at least to the pre-manufacturing level. Mr. Chairman, this is the time, when we get to this point in our thinking, that they bring forth the old "bugaboo", the scare. The scaremongers are forever repeating the old wives' tale that if you restrict the foreign mining companies too much, they will not invest in Ontario. In my opinion, and that of many others, that is hogwash.

Until now, the terms under which our resources have been exploited, and I use exploited rather than developed, have been dictated to us. The companies have said to us, "If you let us have your ore, we will let you dig it up out of the ground. Of course you must agree that we will not be taxed like the rest of industry, or we will not do it."

We, like fools, permit it, and even go so far as to help them. The plain truth is, Mr. Chairman, that our natural resources are so badly needed and so hungrily sought after that we are in a position to insist on the terms of development. We can be masters in our own house if we have the guts to make a stand, and make it now.

We all know the plight of those nations that have become highly industrialized, even though they almost totally lack the raw materials within their own national borders. They are forced to compete on the world market for the materials. Mr. Chairman, these nations are turning in ever increasing numbers to Canada, and this vast storehouse, to supply their needs. It is as simple as that, Mr. Chairman. We have it, and they want it.

About ten years ago, between 1950 and 1952, the government of the United States of America became concerned over the increasing need for minerals in that country, and appointed a special committee to investigate the needs and possible supply of vital resources. The report of that committee is known as the Paley report and I would like to quote a few paragraphs from it before I go any further.

> The United States' appetite for materials is gargantuan and so far insatiable. At mid-century over 2.5 billion tons of material are being used up each year to keep the country going and to support its high standard of living. With a population of 151 million, each person uses up, on an average, some 18 tons a year. He uses about 14,000 pounds of fuel for heat and energy—warming houses and offices, running automobiles and diesel trains, firing factory boilers, and hundreds of other tasks.
>
> He uses 10,000 pounds of building materials—lumber, stone, sand and gravel etc. plus 800 pounds of metals winnowed from 5,000 pounds of ores. He eats nearly 1,600 pounds of food. This, together with cotton and other fibres for clothing, pulpwood for paper and other miscellaneous products, mounts up to 5,700 pounds of agricultural materials. In addition, he uses 800 pounds of non-metallics, such as lime, fertilizer and chemical raw materials.

And in the next paragraph, which is headlined "Rising Demand; Dwindling Resources":

> Such a level of consumption, climaxing 50 years of phenomenal economic progress, has levied a severe drain upon the United States' endowment of natural resources.

Mr. Chairman, I point out to you and to the Minister, through you, this report has pinpointed two things: the vastly growing demand in the United States and the rapidly dwindling supply, and this is not particular to the United States, it is every industrial nation in the world.

A little farther on the report states:

> As a nation we have long lived and prospered mightily without serious concern for our material resources. Our sensational progress in production and consumption has been attributable not only to the freedom of our institutions and the enterprise of our people, but also to the spendthrift use of our rich heritage of natural resources.

The spendthrift use of our rich heritage of natural resources exactly described the attitude that the government of Ontario has shown.

But point of fact, Mr. Chairman, is the Americans have not changed. They are still consuming far more raw material than they can produce from their own resources, and they compensate for that lack of resources by exploiting every under-developed and backward country of the world.

To point out what I say, they have not changed their views. I am not quite sure which paper this one comes from, but it is dated January 16, 1968, and it points out—it is referring back to the Paley report:

> As a result, almost all of their projections have turned out to be too low. Within the past year or two, we have exceeded the commission's projections of consumption in 1975 for practically every major metal, nearly 10 years ahead of the expectations. It is foolish to think that we can continue to meet the escalating demand of our resources without much better and more comprehensive information than we now have.

It goes on to say:

> The emerging nations that have sizeable mineral resources are going to insist more and more on controlling the destiny of those resources. Such control cannot be confined to such relatively simple measures as the levying of taxes. The trend now is to further include working conditions, a role in pricing and sales, and often the participation by government in corporate structure and investment decisions.

Mr. Chairman, that large friendly nation to the south of our border has very neatly pigeonholed Canada as one of the underdeveloped and backward nations to be exploited.

On page 6 of the report, the committee goes on to say, and I will just give it to you very briefly:

> Our national economy had not merely grown up to its resource base, but in many important respects had outgrown it. We had completed our slow transition from a raw materials surplus nation to a raw materials deficit nation.
>
> We began as an "underdeveloped" nation with rich resources and little industry. The inevitable has now come to pass. Whereas for many decades the United States economy produced more raw materials than it consumed, and thus had a net outflow of materials to the rest of the world, we seem now to have settled solidly into the position of consuming more materials than we produce.
>
> The commission believes that the United States will find it increasingly worthwhile to turn abroad for more supplies of many basic materials, particularly minerals.

Through you, Mr. Chairman, I ask the Minister: Is this what is to happen to Ontario in the future? Are we going to allow our resources to be so depleted that any possible expansion of our industries will be severely curtailed because we lack then, what we now possess in such large quantities, without realizing any of the benefits that should accompany the development of our resources.

I would like to go on a little further in the report and it states:

> The industrial nations of western Europe and Japan on the one hand, have strong industrial capacity—

And I might point out that this was 1950,

> —and labour skills, but severe resource limitations. They can prosper in the future only on the basis of heavy imports.

Mr. Chairman, the whole report goes on this way and I am going to add a few more, but I think that anything I add after this point is just so much chaff in the wind. I think the point is proven.

However, I do have one or two little quotes to make.

> To meet or anticipate our needs from the supply side—

And I am quoting from the report,

> —we stockpile, and we seek reserve materials capacity in safe areas, domestic and foreign.

I think that is a very important paragraph, because if we consider reserve materials capacity in safe areas, which area could be safer than Canada? We are here; we are close; we have reasonable political stability; we have a ready work force; we have a relatively slow growing economy so we are not going to need our own ores and minerals in the very near future.

I might point out that our economy is growing very slowly because it depends on foreign ownership and capital control. So that we ourselves will not require our resources domestically in the foreseeable future and—very, very important—I think we are obviously stupid enough to give our resources away.

With the added incentive in Ontario, having a provincially owned railroad that will haul unprocessed ore at a preferential rate, Canada, in my opinion, is the safest of safe areas.

Mr. Chairman, over and over again, it is repeated throughout the report the need for the United States to secure foreign source of mineral supply. Canada is the needed source and Ontario possesses much of the mineral wealth of Canada.

So far, Mr. Chairman, I have attempted to accentuate three basic points.

First, the fact that mining does in fact adversely affect the general economy in Canada or in Ontario, under certain conditions and in some situations.

Second, that the province of Ontario and the people of this province are not receiving a reasonable and equitable return for the exploitation of our natural resources.

Third, that our natural resources are in great demand throughout the world and we should put an end to the practice of allowing the corporate giants of the mining industry to dictate our mining policy.

Mr. E. W. Sopha (Sudbury): I have been saying that for years. I am glad the NDP have finally adopted it.

Mr. Jackson: You will have your chance to speak for yourself in a few minutes.

Mr. R. Gisborn (Hamilton East): It is Ottawa that is giving it away.

Mr. Jackson: At this point, Mr. Chairman, I plead for a drastic change in the government's policy towards the north, and towards mining; and through Ontario's active intervention in the policy of the federal government as well.

For too long our Department of Mines has been a sluggish regulatory body, and I believe the Minister has admitted this to himself; content to sit back and take credit while our mineral resources are being exploited and plundered. It has never shown any small concern to build something that would be permanent or good for the people of the areas involved.

I plead now with the Minister for a new role for The Department of Mines, a role of positive leadership, a role which is supported by government policy to encourage vast, new social and economic development in northern Ontario.

Development, as I use the term, is more than jobs, or capital investment, or stock and bonds, or promoters.

Development, to me is the establishment of a permanent economic basis, on which communities can grow and flourish. It is the constant challenge of new exploration and diversification. It is the commonsense application of planning for a sound economy which can meet the stresses of changing world demand, and which recognizes that processing and manufacturing must accompany raw ore extraction if economic viability is to follow. It is building a social environment which will bring permanent benefit to the people of the area, and to the citizens of Ontario, and to the citizens of Canada.

To me, therefore, Mr. Chairman, development involves a factor of democratic, public control. Surely the lesson of the past is that private economic enterprise in itself cannot, or will not, ensure lasting northern well being.

That was because the old route to development cut all the corners and placed the people last in its calculus of profit. It was a process accompanied by tax concessions which penalizes the municipalities involved, and I believe this is recognized by all three parties. By giving virtual *carte blanche* for the businessmen, in too many cases it meant the industries would leave when the cream had

been skimmed. The pattern of shanty town to boom town to company town to ghost town has been repeated to often in the north.

I think it is time we abandoned the old frontier mentality of get in; get rich; get out. It is time, instead, to institgate a new frontier approach to development in the fullest sense of the word.

I propose, and this party proposes through me, that incentives to private enterprise no longer take the form of tax concessions, or special depletion allowances, whether federal or provincial.

Instead, this government should establish a provincial Crown corporation to undertake development work and to co-operate in that endeavour with private business to provide such open financial assistance as may be warranted and required, in the forms of grants, to undertake enterprises of its own.

I propose that this assistance should be reflected in some form of proportionate equity holding by the Crown corporation in the businesses involved, on the same basis as any other shareholder. In such a manner we can ensure the public interest, as voiced by the corporation, will be an acknowledged factor in all future decisions made by the companies.

I propose that the initial capitalization of this Crown corporation be voted openly by this Legislature, and that further funds, if and when required, be voted on an annual basis as part of the estimates. In this way, we in the Legislature, who are the democratically-elected representatives of the people, will know exactly how much is being spent each year to bolster economic development in the north.

I propose that the Crown corporation's role not be limited to mining, though obviously it will have a crucial role to play in that industry. It should be involved in all new resources enterprises in the north requiring public assistance. Its operations should also include exploration and development on its own, wherever private business is not prepared to do the necessary job.

I have no regrets about proposing that we abandon the old tax concession route that has been used to stimulate private enterprise. It is no secret to me, or to anyone who has looked at the north, that the mining municipalities have long suffered financially from this approach. However, it has proved difficult, if not impossible, for members of the Legislature to calculate, on behalf of the electorate who put up the money, just how much public funds are being diverted in this way. Thirdly, as a result of the Smith committee report, we are now trying to modernize and reform our provincial tax system on a fairer basis. It would be a backward step to perpetuate, in a new northern development programme, one of the most indefensible aspects of the old tax system.

I would like to propose further that the Prime Minister (Mr. Robarts) immediately set up a Cabinet task force on northern development, involving all the northern Ministers, perhaps chaired by the Minister of Mines. Let that task force begin the long-overdue job of designing a total blueprint for long term northern development, which would be presented to the Legislature, perhaps in the form of a white paper, sometime during the next session.

It would be a good idea if the task force were to enlist the participation and co-operation of all members from northern Ontario, regardless of their party affiliation. I, for one, and I speak for all the northern members in this caucus, would be glad to work on any project that would enhance the wellbeing of the region I live in and represent.

I make no apologies for having spoken with some heat so far, as a member from northern Ontario, but it would be a serious mistake if you assume my concern for developing the northern two-thirds of our province stems only from the fact that I live there, because it does not. I see this programme as having enormous benefit for the whole province, in recognizing the need for a few frontier policy for the north. Personally, I am convinced that what is good for the north is good for the rest of Ontario. I am not so sure the reverse is true.

The continued prosperity of the mining industry is a key to northern development, and northern development is a key to the overall growth of our province. It will be harmful to our total economic and social balance if all new growth takes place around the golden horseshoe.

We are building for ourselves, here in the southern heartland of Ontario, not only an exciting economy, but a frightening complex of problems which will cost us plenty, in human and financial terms, to bring under control, in the future.

I refer to problems of inadequate housing, of urban redevelopment, of large scale pollution, of inadequate recreation, or insufficient transportation.

To the extent it is within our power to do so, it makes sense not to accelerate these problems, but rather to spread our future growth more evenly so that all citizens of Ontario can have, as the government says, "a place to stand and a place to grow." So to me, it makes sense, from an overall Ontario point view, to attach the highest priority to developing the great land mass which lies north of the French River.

So I speak not only as a northern Ontario member protesting our unequal share in Ontario life, though I do that, too. I speak as an Ontarian, appealing to all members of this Legislature of Ontario, for all of us. Let us get the north moving and there is no better place to start than the mining industry.

I would just like to comment a little farther on some of the remarks that the Minister said.

The Minister has said that we need changes in our taxation system. We, for one group, not only agree with him, we heartily insist that he does something. It is my personal opinion and the consensus of this party that we feel that this Minister can do it; that he can play a great role in the leadership that is needed to develop the northern part of this province.

We further feel that he cannot do it alone; that if he is going to do a good job of it, to do an efficient job, he is going to have to take into consideration all the other departments that are concerned with northern development and growth, and I am talking about Municipal Affairs and the Ontario water resources commission and Ontario Hydro, Lands and Forests and The Department of Transport. I would point out to him something that my colleague from Wentworth (Mr. Deans) said—that the Transport Minister (Mr. Haskett) should not just take into consideration that which has always been in his department—he should also consider the total transportation needs of Ontario.

And when he does that in co-operation with the Minister of Mines, (Mr. A. F. Lawrence) it will improve and speed up the development of the north. When he takes into consideration the problems of all of our northern municipalities, and again, in co-operation with the Minister of Municipal Affairs (Mr. McKeough) they work all of these problems out, they will not only realize that we have to have a fair tax basis, but we need it now, not five or six years in the future. I, for one, tell the Minister here, through you, Mr. Chairman, that if this party can help him do that, we are quite willing. Just ask us.

Mr. Chairman: Does the Minister wish to make any comment in reply?

Hon. A. F. Lawrence (Minister of Mines): Such a degree of unanimity Mr. Chairman; I feel like we are all together, hand-in-hand, going up the hill to the bright glory land. Only perhaps when darkness falls I will find I am standing on the precipice alone—I am not too sure. In any event, in respect of some of the remarks of the hon. member for Port Arthur (Mr. Knight) a lot of which I can agree with, I think, however, we can deal with some of the things as we get into the individual votes if that is acceptable to him.

There was one point that stopped me cold and I am sorry the Provincial Treasurer (Mr. MacNaughton) is not in the House at the moment. I do not want this to sound arrogant at all but I just hope that the Provincial Treasurer did not get the same impression that you did, that I feel that there should be a reduction in the expenditures in relation to The Department of Mines next year. That is all, because I can assure you that those are not my intentions in any event.

In respect of the remarks of the hon. member for Timiskaming, and I do not mean this in any personal way at all, but because he indicated that this was a product of his research department, I really perhaps think that the NDP should start getting a new research department because some of the facts that he included in his remarks are quite wrong of course.

The question of pollution, which he indicated was not even mentioned in the annual review, of course is. It is quite a full report. I had better revise that—there is a fairly full report from the sulphur fumes arbitrator. If this is not pollution, I do not know what is.

This is the main field of endeavour in which this department, in any event, deals with pollution. The remarks relating to water pollution and air pollution, of course, should be directed to other agencies of the government which do not fall under the jurisdiction of The Department of Mines.

One very brief comment he had, and I do not quite understand it. He said there was poor economic planning in respect of Elliot Lake. I do not know why. Elliot Lake is going full blast at the moment in all sorts of ways, and is certainly a vibrant living, busy community once again.

He did leave one impression that worries me. I think it is fairly commonly held, and

I must admit that before I got injected into this job, it was an impression that I had in the back of my mind, as well, and that was that the mining industry, as such, is not taxed as much as the rest of industry. In other words, the comparable taxation rates were somehow or other less for the mining industry than they are for, say, the manufacturing segment of the economy or others. Of course, this is totally false.

Mr. Sopha: No, it is totally true.

Hon. A. F. Lawrence: The mines tax, for instance, is an extra tax over and above the other ones. For instance, I have got a comparison here and I told that these are average figures—the comparison of Ontario tax paid by a non-mining company and a mining company. I will not go through the details, I can give it to the hon. members if they are interested.

Interjections by hon. members.

Hon. A. F. Lawrence: Based on $100 of income for instance, that is profit before taxes, a non-mining company would pay in the way of provincial taxes—this is what I am talking about, this is the only jurisdiction we have here—$16.50. For a mining company, and I am told these are average figures, it would be $20.80. Now, I am not saying that even this is enough.

As a matter of fact, the point I am trying to get across, or did try to get across a little earlier, was for a $1.1 billion industry. The return for the type of asset, a non-recurring, wasting asset, this is a special industry and it has got to be treated specially, I think, in regard to the tax revenue. There is no question of that in my mind.

Mr. J. Renwick (Riverdale): Mr. Chairman, would the Minister give us a breakdown of the $16 and the $20 figures?

Hon. A. F. Lawrence: Let me just finish this point now. But for a $1.1 billion industry to produce, by way of special taxes, only something over $16 million last year in the way of tax revenue by way of these special taxes, is one that is causing grave concern to the government at a time when we are looking for a more diversified and broader tax base.

This comparison of Ontario tax paid by a non-mining company and a mining company is based, as I say, on $100 of income. Profit before taxes in both cases are the same, $100 in both cases, a non-mining and a mining company. Municipal tax paid by the non-mining company has been estimated to be $5. Nothing for the mining. Tax collected by the province to match the above payment via the mining tax legislation, of course in the non-mining company would be nil; for the mining company it would be $10.

The profit, subject to provincial corporation tax, in respect of a non-mining company would be $95. In respect of a mining company it would be $90. The provincial corporation tax which they both pay, of course, 12 per cent, is $11.40 in respect of the non-mining company and $10.80 in respect of the mining company. The total provincial taxes, as I say, therefore, based on $100 of income, for the non-mining company would be $16.50; for a mining company it would be $20.80.

So, I am not saying to you that this is an exorbitant amount, but I am trying to knock down the popularly-held impression that the mining company pays less than an ordinary company, a company in other segment of the economy.

But there was one other matter that I wanted to get into. I have forgotten what it was but I am sure we will get into it as we go through the items.

Mr. Sopha: Mr. Chairman, you were just going to call the first vote I think it was.

On vote 1301:

Mr. Chairman: The main office vote. The member for Sudbury.

Mr. Sopha: The painful experience of recent days prompts me to ask before I start to speak: Where would the Minister consider it suitable to deal with the matter of that staking rush at Elliot Lake?

Hon. A. F. Lawrence: The staking rush. I think that should come under the mining and lands branch.

Mr. Chairman: Vote 1301, the member for Cochrane South.

Mr. W. Ferrier (Cochrane South): Mr. Chairman, I have a number of things I would like to bring up. The first thing I would like say is that I would like to compliment the Minister for his public statement that they have now taken a stand. At least the copper smelter should be built at Timmins if all things prove out; that if the study that Parsons are going to do for Texas Gulf if this proves economically feasible, and so on, that the smelter will be there.

I might say to the hon. Minister, through you, Mr. Chairman, that if this government had taken this stand at least a year ago, I do not suppose I would be making this speech today, I would not be here. I think that the expression of one section of the province in bringing pressure to bear in many ways to convince this government need for a smelter in that particular area is beginning to bear fruit. And while the Minister has not promised that this is going to take place, at least he has said that he will do everything possible to persuade the company that it should be there.

I would like to commend the Minister for this stand. I would like to assure him that we will keep raising this matter. I would like to ask him, has the government the technical personnel to review the decision of Parsons should it not prove altogether favourable to a Timmins location? Would you be in a position to review the research and perhaps bring more pressure to bear if it was felt to be warranted?

Hon. A. F. Lawrence: Yes, I think we have.

Mr. Chairman: Vote 1301. The member for Sudbury East.

Mr. E. W. Martel (Sudbury East): Mr. Chairman, just one point, and I do not know if I am bringing it up at the appropriate place under the main office. It deals with the accommodation of the men working for Falconbridge. The Minister has advised me that he had been advised that this was going to be looked into and handled.

I checked on it this week to see if any move had been made by Falconbridge to clean up its accommodation for the men at Levack, and to this point nothing has been done respecting this matter. I am wondering if the Minister has any further information as to when we can expect this matter to be dealt with.

Hon. A. F. Lawrence: I have been informed, both verbally and in writing, by the company officials that this matter had been cleaned up. I thought this had been communicated to the hon. member. If it has not it is my fault. I believed that it had been cleaned up. I will review this matter and take it up with the hon. member and certainly let him have what information we have. I thought that had already been sent to him.

This is a matter that really I do not know if it falls under the jurisdiction of The Department of Mines, but certainly we are as concerned as the hon. member is.

Mr. Martel: I must compliment the Minister of Mines because I took this to the Minister of Labour (Mr. Bales) and he just washed his hands of it. The food has been improved. Apparently the food is much better in the area, now but for the actual sleeping accommodations, nothing apparently has been done. This was the information I received as late as last weekend.

Mr. Chairman: Vote 1301—the member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Mr. Chairman, with regard to the Minister's remarks about the location of the smelter to process copper and zinc ores from the Ecstall Mining Company operation, certainly the slight glimmer of hope that the Minister has given us with regard to his activities in trying to persuade this company to locate in Ontario is some small consolation, but to me it is only a little tiny step. I think that the north, our resources, both human and natural, have been exploited far too long and this present government, in its infancy, away back in 1944 or 1945, imposed regulations on the pulp and paper companies and said that henceforth you will export no more pulpwood in its raw form across the border. As a result of it we saw the birth of several pulp and paper communities in northern Ontario.

Mr. Sopha: This is a speech of mine that I made earlier in the session.

Mr. Stokes: This is a fact that as a result of government intervention we did see the birth of several communities in the north based on the forest products industry. I suggest to this Minister, Mr. Chairman, that he has a responsibility to the people of northern Ontario and, indeed, the people of all Ontario, to insist that these companies locate in areas where they are going to serve the best interests of the people of Ontario. I think it is common knowledge that for every one person who is engaged in the extractive industry, that is, extracting the ore at the site, it represents four or five jobs in processing the raw material elsewhere.

Mr. Sopha: It would probably be about 10 or 11 jobs altogether.

Mr. Stokes: It is quite possible, I have given a conservative estimate, but it would be at least four or five. Now, instead of subsidizing mining municipalities through

grant in lieu of municipal taxes, I think if they were forced to build and locate smelters in underdeveloped areas that have never been able to attract other types of industry, through EIO or ODC loans, or convince the federal government that it should be a designated area for the same reasons, I think that it behooves this government to insist that mining companies locate smelters and related industries in areas such as this. This department has a wonderful opportunity to do that with regard to the ores from Ecstall Mining Corporation.

Now, I would just like to make one other brief observation. As the Minister well knows, there is a study being carried out, jointly with the federal and provincial governments in northwestern Ontario, and I am sure the Minister is well aware of it. He knows the terms of reference, it is a very modest sum that is being spent on it, some $140,000, to cover an area of such geographic proportions as northwestern Ontario. He made no reference in his opening remarks at all to this study as it pertains, or at least, should pertain, to his department. Now, I have drawn to his attention, and other of his Cabinet colleagues, since I have been in this House, the need to assure mining municipalities that their life will be perpetuated to any extent that is possible through actions of this government. One that comes to mind is the area of Geraldton, where their economy, to a very large extent, is dependent upon the gold mining industry and with the dwindling reserves of ore of MacLeod-Mosher. It is only going to be a very few months until we are going to see quite a decline in the population and the job opportunities in Geraldton unless direct action is taken by this Minister and his department to assure that this will not happen.

In connection with this study that is continuing at the present time, I think this Minister has a responsibility to do a detailed inventory, within an economic distance of these existing mining municipalities, to exploit the potential that is there, to assess what potential is there, and to do everything possible, and, if necessary, provide incentives for mining people and mining companies to go into the area and exploit the potential right within the area, rather than letting an existing town die with all the services which have been put there—millions of dollars in schools and roads and hospitals, equity in homes, and the equity the businessmen have in their small businesses.

I think it behooves this Minister and this department to make a very detailed and comprehensive survey and study of the potential right within that area, because we have had cases where providence has allowed the ore to run out and towns have died. Now, some few years later, we find ourselves duplicating the same thing a few miles away and to me it is utter nonsense. If it is reasonable at all to do as I have suggested —and I think it is reasonable—I think this Minister has a responsibility to these people.

Now, in connection with that, I think this Minister has never mentioned that in the event that private enterprise does not see fit to go in and spend sufficient money in this, the government has a responsibility to do so. It is my understanding that this kind of activity is working reasonably well in the province of Quebec where they have set up a Crown-owned corporation and in co-operation with private enterprise. They are doing a great amount of exploration and development work, in co-operation with private enterprise—I understand they have something like 22 agreements signed—I do not know to what extent they have been able to get mines into production, but at least it is a start. And I would suggest to the Minister, or at least I would like his comments on what he thinks of such a proposition and if he does not agree with it, I would like to know why?

Hon. A. F. Lawrence: Mr. Chairman, it is not that we agree or disagree, it is just that so far we have not seen anything that would convince us that this is the answer to the problem.

Mr. Stokes: Does the Minister not think he has a responsibility to existing mining municipalities?

Hon. A. F. Lawrence: Well, in that respect —perhaps this could be discussed under the geological branch—we are undertaking, of course, a rather exciting concept of inventory of known facts relating to the whole of the north. We are concentrating a few pilot studies in certain areas, but, as I say, this can be discussed more readily I think under the geological branch rather than under head office.

Mr. Ferrier: Mr. Chairman, last year in this vote there was $25,000 set aside for research into silicosis in the mining industry. Those of us who live in mining towns know how miners, who have worked in the dust-exposure aspects of mining, have been crippled by various kinds of chest diseases which sometimes develop into silicosis, and I would

like to know if this study is going to continue or if it has been completed. If it has been completed and if the facts have been published, what does the department propose to do with the information that may have been gathered?

Hon. A. F. Lawrence: One of the disappointments I gather last year within the department was that this study could not take place because of the unavailability, at that time, of the specialists—the very experienced specialists—they thought were going to head it up, so that the money was not spent last year. It is included in the head office vote again this year and our hope is that the gentlemen will be able to do the study this year.

Mr. J. Renwick: Mr. Chairman, in the only public accounts that we have, which is for the year previous to that, is that the sulphur dioxide special investigation which, for the year 1966-1967, some $25,000 is shown as having been spent of which about half has been recovered from International Nickel and Falconbridge Mines?

Hon. A. F. Lawrence: This is not the sulphur dioxide committee at all, this is a special study into the question of the occurrence of silicosis; this is something entirely different and it was not spent last year.

Mr. J. Renwick: The sulphur dioxide investigation: was that completed and its results ever published?

Hon. A. F. Lawrence: This is being taken in hand by the environmental health section of The Department of Health. We have had discussions in the House this year during the question period relating to this. It is continuing.

Mr. Jackson: Mr. Chairman, I am going to be very brief. The Minister has accepted responsibility for sulphur dioxide pollution and—

Hon. A. F. Lawrence: No he has not!

Mr. Jackson: Well, his department has the responsibility. He disclaims any responsibility for water and land pollution and my claim is that because this pollution is caused by a company or an industry that is under his jurisdiction that he should take a much greater hand in directing the people who have something to do with this type of pollution; that although his department is not responsible for it, is no reason and no excuse for him to say that it is "not in my department and we will forget about it"; that because he is the Minister responsible for the cause of the pollution, or should I say for the industry that causes the pollution, that he should be knocking on the door of the responsible Ministers and saying "let us get together and see what we can do about it".

It is too long. We are sent to The Department of Health and the Minister there says "I am only responsible for one type of pollution." You get into the Ontario water resources and they say "we are only responsible for one type of pollution." It is about time that this Cabinet, if it is a Cabinet, got together and deceided that not one Minister is responsible for anything, the government is responsible for it. Let us have a little bit of co-operation and a little action.

Hon. A. F. Lawrence: I can understand the hon. member's frustrations sometimes in trying to pinpoint these things. I have had them myself on occasion in a like position in which he now sits. For instance the hon. member must be frustrated right now in respect to this matter because if it is going to be discussed at all within this department, it really should come under vote 1305. It has not been ruled out of order so we will talk about it now.

I think one of the matters that has concerned a great many people in and outside of this House in the last few years has been the divided responsibility in respect of pollution problems within the provincial government. I say that quite bluntly and frankly to the hon. member and I think it was certainly a step in the right direction—a very great step—that the responsibility for air pollution, not just health matters, but in relation to aesthetics and foliage and everything else has now been concentrated under the jurisdicition of the Minister of Health. These are the people who can, and I am sure will, do a good job in it.

Certainly as a member of the government I am not attempting to shirk any responsibility in this field whatsoever, but I do say that with the exception of the sulphur fumes arbitrator, which is rather a special problem, this is the only jurisdiction this particular department has in this matter. I have never yet heard the Minister of Health (Mr. Dymond), and I am sure he will agree with this, disclaim any responsibility since the passage of the new legislation for the sulphur fumes. He is responsible, or rather his department is responsible.

Mr. Chairman: Vote 1301—the member for Port Arthur.

Mr. R. H. Knight (Port Arthur): Are we discussing vote 1301 or 1305?

Hon. A. F. Lawrence: As I indicated this is a matter that should be discussed under vote 1305 but—

Mr. Chairman: When we we get to vote 1305 we can have full discussion on it instead of wandering all over the place.

Mr. Knight: In that case, Mr. Chairman, I will go on to something else.

Mr. Chairman: On vote 1301?

Mr. Knight: Yes. I do not know whether this would be the right place to ask it or not but I wonder if the hon. Minister could give the House the revenue for last year for The Department of Mines—the net revenue.

Hon. A. F. Lawrence: The net revenue? You mean the mining tax alone?

Mr. Knight: No, just the overall revenue of the department for the operating year.

Hon. A. F. Lawrence: It is $16.7 million.

Mr. Knight: A total of $16 million is the revenue of this department, and we are putting back less than $5 million to continue and to enhance the efforts of this department and we find out that—

Hon. A. F. Lawrence: The total is $4.8 million.

Mr. Knight: Yes, $4.8 million. Is there any explanation for this? Has the Cabinet actually felt that there was not need for any further investment in this particular department? Could the Minister tell us what has been the philosophy behind this department? Mining is so important not only to the whole province but especially to the part that I come from. Could the Minister tell us what the philosophy of the Cabinet has been on this?

Hon. A. F. Lawrence: Well fiirst I am sure must be the fact—and I think it is a fact—that mining revenues do not belong to the north by any stretch of the imagination. This is something that irks me whenever I get up in the north and wherever I go people say "We are neglected—look at this, there is only $8.5 million being returned on a mining municipality grant when your revenue from the mining tax alone is $16 million"—that is a load of horse feathers in my book.

The assets, the mineral assets especially, in this province, belong to the people of the province as a whole. They do not belong to the north, they do not belong to the south, and nothing gets my dander up faster than to have somebody indicate those sentiments at all. Good heavens we have not yet reached the stage of separatism, I hope, where we are going to be breaking things down on a regional concept—the south could not exist without the north and vice versa.

Mr. Knight: I am glad you said that.

Hon. A. F. Lawrence: I think that is the main philosophy behind it. Now in respect of the actual expenditures of the department obviously there are a great many expenditures in other departments which directly affect the mining industry and the economy of the north—highways, health—you just heard about that—pollution problems, transportation in all sorts of ways, communications.

This is an on-going collective thing; this is the aspect of it, I think, that is often overlooked by those in the mining industry when they say: "Good heavens, for your Department of Mines you are only spending $4.8 million and you are getting $16.7 million out of it."

There are all sorts of other expenditures within government which directly relate to the health and the wealth of the mining industry. This is one reason why I think the idea is becoming quite current—in government circles in any event—that the mining industry is not even paying its way at the moment as far as revenues are concerned.

Mr. Knight: Mr. Chairman, I think the hon. Minister quite misunderstood my comment. I did not mean to suggest that because $16 million came out of the mining in the north that $16 million should go right straight back into the north. I am not a fool after all.

I was merely suggesting that an area of endeavour which could produce so much for this province and yet receive in return to enhance its development so little—a quarter of what it is producing—it seems to me that there is a horrible imbalance here and there is a strong argument right there to put more money into mining.

We know that by way of production we passed the billion dollar mark last year, and I would like to ask the hon. Minister: Does this department know in dollars what quantity of ore—discovered ore, but as yet un-

developed—exists in this province? Does the department, for example, keep records? Does it check with mining companies to find out how much they are developing, how much they are not; what the ore body is and what exists?

And would the Minister be prepared to tell us that while perhaps production is at the billion dollar mark, the potential, because of the ore bodies already discovered that we know of, would be so much? Can you give us a figure?

Hon. A. F. Lawrence: No. It is just impossible.

First of all, reserves within certain mines, known reserves, change from day to day. They go up and down like a toilet seat as far as the value of these things is concerned on the market price. It is just impossible, even with those of which the value is known.

Second, there are some types of mining that live a hand to mouth existence. Silver mining is completely different from any other type as far is this is concerned. They will go along for 200 feet in order to exploit a little vein that thick and they do not know whether they are going to hit it when they get their either.

When they do hit it, it is worthwhile obviously or they would be out of business. These things vary from geographic area to area and from company to company; and from mine to mine in the type of metal ore that they seek, and we just simply have no way of knowing whether published figures are reliable or not.

Mr. Knight: Mr. Chairman, I understand how mining and investment goes, and so on, but is the Minister suggesting that the prospectuses that the mining companies put out are not accurate and are subject to change every day? Is there no way that the department can keep a general knowledge or idea of what our storehouse is—of what we have? I mean, how can we undertake to get that ore body into production? It belongs to the people, not the mining company, they have the rights to it only.

This is an area where more money should be spent. Maybe these mining inspectors, besides inspecting mines, could spend some time finding out exactly what exists in each individual area. I think that we are operating blindly here. It is just like the stock market, it is a gamble, up and down, which way it is going to go. But this is such a vital area to the province that some effort should be made to find these things out.

Hon. A. F. Lawrence: No, sir, the opinions expressed by qualified professional people in a prospectus are exactly that—a question of opinion—and they vary with the individual. We cannot rely on that, quite frankly, any more than I could rely on my department officials to come up with a satisfactory answer. They do not know either, until the stuff is taken out of the ground, what there is in a number of cases.

Mr. Knight: Could your department not issue a prospectus to the people of Ontario? Could it not compile this information based on these prospectus reports so that we have some idea of what we have got, and where we are going? That is what I am talking about. Surely in the age of the computer there are other difficult statistics that are available. I am just talking about knowing where we are going and what we have got. I am sure that these mining companies must know a lot of things that your department does not, and I think that the department should know more about their business than it appears to know.

Hon. A. F. Lawrence: Now that I realize what it is that the hon. member is saying in the main point of his remarks, I should say that we are doing this. We are bringing out a comprehensive mineral resources inventory, but that comes under the geological branch.

Mr. Chairman: Vote 1301?

Mr. D. C. MacDonald (York South): Mr. Chairman, I had two or three issues that are as closely related to policy as anything else, and therefore I think that the first vote is an appropriate place to raise them. The first two of them are related to the thing that the Minister has just been discussing with the hon. member for Port Arthur—and that is in my view all government departments cannot be revenue departments. Obviously some of them are not. You cannot expect to raise a revenue, and you have just got to spend to meet human needs.

Mineral resources should be a revenue capacity. Clearly I think that mines is one area where we are taking in much more than we are spending. However, having said that, I am interested in the Minister's hesitation in moving into certain areas which might represent public expenditures, but which in our view, would result in an accelerated development of the industry.

Let me pick on a new point that he injected into the discussion in the course of his introductory remarks. He said, for example, in regard to the zinc smelter that this would not likely go in Timmins, and that there are many zinc mines in the province of Ontario which have really been struggling along because they did not have a smelting capacity within the province. I judge from his comments that what he was saying, in effect, was that if a zinc smelter was built, it might be available to all existing zinc mines in the province of Ontario. If that is the case, I am a little curious why the government—in the interest of the industry as a whole, sometime in the past, and having considered it a valid expenditure of public money, if no private money was willing to go in—did not build a zinc smelter.

I think that if one were to explore thoroughly, one would find that many government departments had often taken an overall look at the picture and come to the conclusion that here is where they should move in to provide a co-ordinating role. Conceivably there would be expenditure of money to provide something for processing or grain elevators. For example, to bring wheat down from the west to make it available to farmers here, when it has to be held before the farmers will buy it.

It seems to me that this is a legitimate role for the public moving into and assisting in the development of the whole industry. Now, if a private industry is going to do the job here, and build a zinc smelter that would be available to all the other mines who are producing a small quantity of zinc, then good. But if they are not, why will the government not consider it?

Let me go on to a related matter in the same category. We have been arguing for the last two or three years that in the field of exploration, processing and development of mines there is a legitimate role for a mixed economy, along the lines of the kind of thing that happened in the province of Quebec. Some experts in the mining industry—and I have quoted them before in the House—have drawn attention to the fact that there has been a serious drop-off in mining exploration. There is a tendency in mining companies to underpin the economic stability of the country by a diversification of their assets into many other industries that have no relationship to mining. The net result of this is that a lot of money that was extracted from mining is channelled into bread companies, cement companies, Bahama casinos, and so on.

Now, if the mining industry is not willing to do the necesary exploration work, what they decided in Quebec was that, in the interest of the industry as a whole, the government should step in and do the necessary exploration work. If private enterprise, would not co-operate, then they would step in and do it themselves. Certainly when you move into the development area, it can be done on a partnership basis as is being done by the Crown corporation in the province of Ontario. I would like to raise that with the Minister, and get his comment, because the hon. member for Port Arthur, who unfortunately has left us already, said that there were certain areas where an expanded budget could be contemplated.

He named, for example, more mapping and surveying, and greater assistance to prospectors, and access roads—but I would add to that list. It is not because I want to take from the revenues of the department which are needed elsewhere, but because they ultimately will produce even more through a bigger industry, whether or not you should not go into smelting, if it means that it is taking a part of the production from a great many mines, and no one mining corporation is willing to do the job, or to go into exploration or beyond that perhaps even, contemplate—if it is not too shattering a thought to the Tory members—the idea of a partnership in developing.

Well, that is one little package that I wanted to raise with the Minister. I have another point, but perhaps he would like to deal with that before I go on.

Hon. A. F. Lawrence: I am bound in my political dogma, just as the hon. member is, and therefore I asked the same question of my officials very early in the game when I first got in there. The information that I have received is simply that there was not enough known potential zinc ore in the province that would make the thing — not economically feasible—but even possible. It is now a factor that has to be considered because of Texas Gulf. Prior to Texas Gulf, it was not worth it in any shape or form.

It is quite possible, and quite probable, with the discovery of the large ore body at Texas Gulf, that it is economically feasible as well. If it is going to be economically feasible—and here is where you and I differ—

we feel that it is far better to let the industry itself come out with the thing rather than—

Mr. MacDonald: I do not object to that if they would do it.

Hon. A. F. Lawrence: And again, getting back to the Quebec Crown company; in relation to exploration, we are watching this. We are watching it quite intensively. It is a pretty big operation. I admit, I am worried about prospecting and its decline. Actually, I am not so sure there is a decline. But nevertheless, exploration has got to be the lifeline of this job. There is no question about it and we are searching for new ways. We are watching what takes place in other jurisdictions and one of them is Quebec. But so far we just have not seen anything that would convince us. If some spectacular results ensue, then of course the thing will receive even more intensive consideration. But at the moment, no.

Mr. MacDonald: Mr. Chairman, my plea is that the government take a positive role. I think even the Tory mind can encompass the concept of a government in the second half of the 20th century taking a positive role instead of a purely passive one in terms of the full development of the industry.

Hon. A. F. Lawrence: If other people can reach that mental state, I am sure we can.

An hon. member: They would have done it—

Mr. Sopha: You have to be awfully optimistic to do that.

Mr. MacDonald: That may be an appropriate tone and point in which to leave that. I go to my final point that I wanted to raise with the Minister. I am curious to find out exactly what has happened in this tidying up of the situation with the Algoma Central Railway. Now my colleague from Thunder Bay asked a question this morning and, as I recall, the answer was that there is something like 1,200 acres on which mining tax is now being paid.

My recollection, and I do not happen to have the exact figures but I can give them to you in round numbers, was that back in 1953—this is the fascinating thing about this —inadvertently some clerk in the department discovered that ACR—

Hon. A. F. Lawrence: Actually, I wonder if this could not be discussed under the mining lands branch, when I will have someone in front of me whose advice I can reach for.

Mining lands branch is the last one—vote 1306.

Mr. MacDonald: Okay.

Mr. Chairman: Vote 1301.

Mr. Sopha: Well then, Mr. Chairman, this matter of the Crown corporation has been raised and it is the appropriate place for me to add a comment about the role of such an organization in preference to that circus that was produced in the staking of the Elliot Lake mines. I say quite frankly that I would very much favour some form of enterprise, either totally operated by the Crown or a mixed enterprise of public money and private money, in the development of plans which I thought—

Hon. A. F. Lawrence: If I may interrupt again, in the interest of keeping things in their proper place. If the hon. member could save his remarks on that to vote 1306 as well, that is mining lands.

Mr. Sopha: Well, this is raised, you see. There is the unfairness, the disadvantage of someone else trying to get a word in—

Mr. Chairman: Vote 1306 will be the appropriate place.

Mr. Sopha: —the disadvantage, that some can carry on a debate about these things but if anyone else tries to horn in, well it has got to be reserved.

Mr. Chairman: We will get you in first.

Mr. Sopha: Excuse me, I am sorry.

Mr. Chairman: Vote 1306 will be the appropriate spot. The member for Cochrane South.

Mr. Ferrier: Mr. Chairman, I have a couple of policy matters that I would like to bring up with the hon. Minister. On page 6 of the orange booklet of part 9, section 1612, this reads as follows:

> Subject to the requirements of this Act and except as otherwise provided in this Act—

Hon. A. F. Lawrence: You are going to hate me, Mr. Chairman, but I wonder if this could come under the proper vote again when I have the proper individual here—this should be vote 1303, mines inspection branch.

Mr. Ferrier: All right, I will bring it up then.

Mr. Chairman: The member for Port Arthur.

Hon. A. F. Lawrence: We do not do anything in head office.

Mr. Knight: Mr. Chairman, while the Minister is telling us what votes what comes under, I wonder if he could tell us what the mining recorder's office is. Does that come under vote 1306 also?

Hon. A. F. Lawrence: Correct, 1306.

Mr. Knight: Vote 1306. Thank you!

Mr. Chairman: The member for Timiskaming.

Mr. Jackson: Well, Mr. Chairman, I would like to just comment on what the Minister just said, "They do not do anything in head office". He said that he was not going to make any goofs that would go on into the future and he said, if they do not do anything, they cannot make any mistakes.

I wondered if that is what he is doing. But something that has come up in the reading I have done over the last few months is that several times they proposed a library of information on development. I hope you do not rule me out on this one.

Hon. A. F. Lawrence: Sorry, we have got it—

Mr. Jackson: Is that under head office?

Hon. A. F. Lawrence: That is under vote 1302.

Mr. Jackson: Well, if we go into the taxation policy I hope that comes under this.

Hon. A. F. Lawrence: Only because I cannot find any other slot to put it in.

Mr. Jackson: It is mentioned that, in the matter of the Smith report, there have been many briefs presented, and one thing that has shown up all through, sir, is that they are all against it but nobody has made any submissions to do anything else. I would just like to assure him that this party fully intends to present a brief on the Smith report and mining taxation and that we will try to be very, very constructive.

Mr. Chairman: The member for Sudbury East.

Mr. Martel: Mr. Chairman, I just want to ask about the possibility of revising The Mining Act as it now exists. Would this be in the right vote?

Hon. A. F. Lawrence: It all depends on what the subject matter is.

Mr. Martel: Pardon?

Hon. A. F. Lawrence: It all depends what the subject matter is.

Mr. Martel: The people I talk to in the various unions in my area do not feel that The Mining Act meets with the times.

Hon. A. F. Lawrence: Is this in respect of safety, for instance?

Mr. Martel: No, it is just an overall Act. I am just wondering if there is any possibility that The Mining Act might be revised and brought up to date. What they have recommended was something in line with The Industrial Safety Act which would, I hope, come under this section. That would come from head office, the whole rewriting of this Act.

Would there be any possibility of having a revision?

Hon. A. F. Lawrence: Yes. The safety provisions are being rewritten right now.

Mr. Chairman: The member for Victoria-Haliburton.

Mr. R. G. Hodgson (Victoria-Haliburton): Mr. Chairman, I want to mention a matter, and I belive it falls within this vote, that has do with the uranium mining in the area of Bicroft and Faraday townships.

We have a large volume of low grade ore in Faraday and Bicroft: we also have some very high grade ore in the Faraday mine property and it is rumoured they are progressing towards production in a year or two's time.

I believe this department should enter into discussions with the mining people of Faraday and see if there cannot be a larger operation by the mixing of the ores of Bicroft area and the other mines in the Faraday sector and see if we cannot make a longer production lifetime of the Faraday operation. Now this might take the assistance of your asociate the Minister of Trade and Development (Mr. Randall) here but, it seems to me that this would be a very worthwhile venture for your department and this government in the interests of the people of Ontario.

Mr. Chairman: Vote 1301.

Mr. J. Renwick: Mr. Chairman, two points, I am sure they are under this particular vote. One, I notice that the maintenance cost

is up about $100,000; maybe the Minister is harder on the furniture than his predecessor was. The second point is that he mentioned one aspect of being concerned about prospecting in the province and I am curious to find out whether or not his department or he, himself, in view of his interest and knowledge in the field, is consulting with his colleague, the Minister of Financial and Commercial Affairs (Mr. Rowntree), about those portions of The Securities Act and The Corporations Act relating to prospectors' syndicates which would appear to me, with a very scant knowledge, to be a now outmoded method of financing prospecting syndicates. There may be a field in which prospecting in this province could be stimulated if those sections were reviewed. I do not mean that it is a cure-all but it is one aspect of the problem.

Hon. A. F. Lawrence: The increases in the head office votes are the result, first of all, of salaries due to some new staff requirements and the maintenance expansion as related to additional furniture, not Minister's furniture, business furniture, equipment and machinery required as a result of the relocation of most of the offices of the department here in Toronto. By the time these current moves take place over in the Whitney block, there will only be two departments in the Whitney, The Department of Lands and Forests, and The Department of Mines, and all this in relation to the purchase of new furniture and new equipment has been as well as the relocation of the old—that is it, almost in its entirety.

In relation to the question of The Securities Act, as the hon. member knows I share some of his views and some of his concerns in relation to the financing of what is currently known as the junior mining companies. This is a problem that I do not know the answer to; I do not know that anybody does. Again it is a question of balancing the public interest as a whole with the requirements of a very specialized segment of the financial community. I know the hon. member is not indicating in any manner, shape or form that the new requirements in The Securities Act are not requirements, are not needed in the public interest.

We have both taken a part in the formulation of some of those requirements. As a by-product of those requirements there is no question in my mind whatsoever that this is imposing a very great hardship on the financing of junior mines in the province. In saying that, though, I do not mean to imply that the current restrictions should be relaxed at all. I do not know. This is a personal opinion that I am voicing, but certainly it is a worry to The Department of Mines that there are seemingly not as many smaller mining companies now in the market as there used to be. Whether this is because of general economic conditions or high priced money, I do not know, but I think it is the result of a number of factors. I am also personally convinced that one of these factors is the restriction in The Securities Act. On the other hand this is just one of the reasons why The Securities Act had to be beefed up the way it was. There were too many people selling moose pasture, obviously.

How do we protect the public interest in general, and how can we attempt to continue to promote this capital in junior mining ventures is the balance. I am not so sure that that balance has been reached, and I do not know what we can do about it. If the hon. member has some ideas I would be glad to hear them.

Mr. J. Renwick: I have precisely one, Mr. Chairman, and that is one I raised before. I think there may well be in consideration between The Department of Mines and The Department of Financial and Commercial Affairs at least exploratory studies made about setting up in the province of Ontario a separate exchange for mining companies, however mining companies may be defined.

Quite likely the kind of definition I am talking about is a junior mining company which would exclude the big overall conglomerate companies such as Noranda and International Nickel and those mammoth companies.

It seems to me that if there is a segregation and isolation in the mining industry in its traditional Ontario sense involving prospecting and exploration and development prior to the point at which it becomes a producing mine, so there should be that kind of a separate stock exchange for those companies where you then get within that exchange and within the companies which are concerned—a concentration of the expertise and the know-how which would lead to more sophisticated methods of providing for the financing of the junior mines.

Then, I would think, this would be a very real step forward. At the present time you have a stock exchange which is mixed up with the industrial and other fields, and only a small portion of their time is directed toward the junior mining field, which is one

of the basic fundamental resources industries of the province.

Strangely enough I do share the Minister's view about the inhibitions of the provisions which were inserted in The Securities Act about the junior mining companies. I think that there may be basic economic conditions which affected it, but I am inclined to think that we have imposed an unnecessary inhibitory method.

The Minister will recall, Mr. Chairman, and very clearly as I do, that that particular amendment which the member for Downsview (Mr. Singer) and myself, and certainly the member for Eglinton (Mr. Reilly), were instrumental in having passed, was passed at the time of the committee in order to fill a necessary gap in the securities legislation. It was a rather arbitrary and not carefully thought out procedure, but it was necessary in order to provide the kind of protection which was needed.

I do not want to get diverted on to that, other than to say that I do think under the initiative of The Department of Mines and The Department of Financial and Commercial Affairs there is some place in the province of Ontario—and maybe it could be located in the north—maybe there is a location in the north with communication facilities which we have which would make it a heartland of the financing and development of—in the initial stages of mining properties and the prospecting and exploration—a place for a separate and distinct mining exchange which could be supervised by the government, of course, but which could have the benefit of the concentrated expertise of those persons who know best how to get money for prospecting and exploration purposes, and who will ensure that it is used for those purposes and not drained off, which is what has been so detrimental to the mining industry in the province of Ontario.

Mr. Sopha: Mr. Chairman, I noted the challenge of the Minister of Mines and I do not think that is too strong a word in relation to the problem of taxation of the mining industry. I inform him, through you, that I have made arrangements with the select committee to present a brief to that committee when it visits Sudbury on August 1, in respect of this problem, that is taxation of mining companies.

I inform him in the light of the remembrance of criticism directed at myself from him a number of years ago before appearing before Royal commissions. Perhaps he did not encompass select committees of the Legislature, and maybe he reserves that criticism to members appearing before Royal commissions. I do not know. I do remember the allusion that he made.

Whatever the government decided with its multiplicity of committees, they had the study of the Smith committee which took four years to complete. I do not wish to deliberately insult anyone, but I make an objective criticism. In my view it is not a very worthwhile document in its overall picture. Certainly it is a faint shadow of the prominence and the depth of analysis of the Carter commission report in Ottawa. And the Carter commission report pointed out to us that above all else that the one group in the country that is not suffering from oppressive taxes is the mining industry.

I say, in passing, that Inco, which of course is the leader, and when you speak about mining you speak about Inco because it is the leader in this country in the mining field. It is regarded as such by the rest of the mining industry. Inco is looked upon as a big brother or father confessor. This leader in every respect in mining is referred to throughout the industry, according to the argot, as "Nickel". They refer to Inco as "Nickel"—as "Nickel" says, and "Nickel" leads. So the pattern is set for the rest of the industry.

It only took them one thin volume to criticize the recommendations of the Smith committee, but they very kindly delivered to me a copy of their criticism of the Carter commission. I thought somebody had bought me a case of beer. That is the size of the box it took to deliver the three very thick volumes which led me immediately to conclude that there must be merit in the Carter commission, since it took them so many pages to criticize it.

However, whatever the government does with its study and the studies it is making of it, and the further brief that the government is inviting, I hope that the end result that is achieved is that the people of Ontario will be given a greater share of the profits from the natural resources of this province, particularly the ores that are in the ground.

I say, in stating that belief, that I wish someone would take me into a quiet corner for a day or two and explain to me, because I would really like to know if there is any argument, to explain to me where the morality is that permits W. H. Wright to

walk out of northern Ontario with $47 million; J. P. Bickell only walked out with $14 million.

These are private and personal fortunes made out of the ores that the merciful providence put in the ground. I do not really know how much Harry Oakes had at the time he came to his infamous end in the Bahamas, but it was many millions.

I would like to know, as a matter of morals, where individuals have the right to come along to a body of ore in the ground, and say to the exclusion of everyone else, that that ore is ours; we own that; that is ours to exploit and to reap the profit out of and to carry it away, and use the wealth thus created in monetary form, according to our own dictates, our own desires and our own plans.

If there is morality in that proposition, I would like to know what it is.

Now the reverse of it, of course, is that the people of Ontario, are the owners of the mineral wealth. I agree with that proposition that the mines profit tax does not belong to the north. I have always agreed with that; it belongs to all of the people of Ontario. It is a royalty paid for the raw material.

But as we approach the two-third point in the twentieth century, certainly our thinking has advanced a long way from those days of the freebooters, such as Wright and Oakes and Bickell, who came into the north and wrested personal gain, to a very gross extent, out of the sweat of others, among them incidentally, my father and other relatives, one of whom died of silicosis working in the Hollinger mine in Timmins.

I just do not see it, and I hope the end result, however it is achieved, is that the Treasury board of this province readjusts what has been a wrong for two-thirds of a century. I do not see it through the eyes of the Smith committee, that it is necessary to have two taxes, two separate taxes, whatever label you put on them. Those experts seem to delight in devising labels for taxes. I wish they would have thought in terms of principles, rather than labels, and the mechanism of collecting it. The mines profits tax seems to me to be an adequate mechanism, and their only necessity is to increase that to the point where the people of Ontario get their just share of this wealth which belongs to them.

I view these mining companies, whether they are big or small, as trustees; they are trustees who have the right to develop the resources, but must develop them within a framework of responsibility, to all of the people of the province. And we are not interested, we are simply not interested, in creating great wealth in the hands of a few; a fair return—yes, for their investment. But no disproportionate reward, using up irreplaceable assets. That is the sad thing, of course, the saddest characteristic about ore is that it is irreplaceable, and every pound that is taken out of the ground diminishes our right or our ability to maximize its use for the people of our province.

Now, of course, it is a very broad subject and the Minister alluded to other aspects of it, which I am not going to go into. It would be safe to say that it will continue to be a matter of very great anxiety to myself that so much of this wealth is owned by foreign hands, and in so many ways. My goodness, I wish the Minister could see into my thinking and become aware of how repulsive the notion is to me; how much I recoil from the notion that the government of Ontario has to really demonstrate anything that could be suspected of being obsequious in respect of that giant American corporation that is developing that Kidd Creek ore body.

Well, I hope in his communication to them, when he said that Sopha is promoting a rumour over in the Legislature, whatever epithet that they may have replied, and some of them might have been on principle, I hope they realize, as long as I am in existance, that they are confronting an economic nationalist who will exercise a close surveillance over what they do. Maybe the Minister is putting the heat on them to do the right thing by the people of Ontario in using our ore, our mineral wealth. Maybe it is lucky my leader is away, I would certainly be ready to lean on them to a very great extent; at the same time expressing a warm welcome to them to come here and develop that ore body in a civilized fashion. That would include, of course, a very great attention to the interests of the people of Ontario and Canada in general. And their development would always be subject to the total interests of our province and our nation.

Well, let me say that I am very encouraged by the accession of this young man to this portfolio; I did not think much of the previous one; neither did the people of Port Arthur. And I think, more or less, we have a breath of fresh air coming into this department. I was very encouraged by his opening remarks, Mr. Chairman, and he made them extemporaneously, like the boy going

out to ride the bicycle for the first time and saying: "Look mother, no hands."

Vote 1301 agreed to.

On vote 1302:

Mr. Knight: Mr. Chairman, I presume this is the area where we can talk about aerial geological surveys.

Hon. A. F. Lawrence: Yes.

Mr. Knight: Thank you.

Hon. A. F. Lawrence: Well, first of all, do you want me to refer to your remarks?

Mr. Knight: Yes please.

Hon. A. F. Lawrence: You mentioned aero-magnetic surveys. Well, of course, the whole of the province has been completely redone over the last five years, by the province, in conjunction with the GSC, the federal government, for a completely new series of maps done through the method of aero-magnetic survey.

It is a five-year plan; it is coming to a close this year, so that as far as that aspect of it is concerned, I can only assume the hon. member did not know that. Perhaps that is the problem of the department in the past for not publishing this very, very great piece of work.

In saying that, I am not patting the provincial government on the back unnecessarily, I trust, either, because this has been a joint venture with the federal government, a five-year plan, that is now coming to a close. All of the maps have not yet been published, but they are being published as quickly as possible. But, as I say, this five-year plan is drawing to a close this year, and will result in the whole of the precambrian shield being resurveyed and remapped by aero-magnetic survey.

Now, in respect of the electro-magnetic surveys, this is a very contentious matter, not only within this department, but within the provincial government and mining exploration companies across the country. A few years ago, the province of Saskatchewan entered into a pilot project along this line, and I think it is the consensus of those far more knowledgeable and experienced than I am in the field, that this just did not pay, as far as the results were concerned. There is a great deal of controversy in respect of the worth, the genuineness, the results, the effects of EM surveys, and how these things can prove of benefit to those who are doing exploration work. It has been the decision within the department, and the decision of this government, backed, I may say, by resolution by the Mines Ministers across the country, that this is the type of thing, at the moment, in any event, that governments should not get into. The worth of it has really not been proved.

In respect of field work, of course, every year, for the last seven or eight years, there has been a large increase in the number of field parties that are out every year doing ground geological surveys through this department. This year there are 30 geological parties out in the field right now, of which something like 12 are in northwestern Ontario. This has been an expanded programme; it has been a very exciting programme, I think, by this department over the years, and again I can say this because I have played no part in the formulation of that programme, although in my mind this is something that should bear a high priority figure. This is what we have to do more of.

This has already produced a lot of very tangible material benefits in the way of new staking, new exploration interest. We now have to tell people the time and date and place where these reports and these maps are being released to the public. In some cases, with respect to particularly hot areas, there have been lineups at the door to purchase the results of these surveys. They are of a very material benefit. I am convinced that it is a great thing. As I say, it has been an expanded programme and it is going to go on.

Now, in respect of prospectors, I have already indicated to you that it is the concern of the government and this department that there should be increased exploration activity —I will put it that way in any event. With regard to the prospector classes, again this year this thing has taken a great boost. We have had very successful field classes at Madoc, for instance, this year, and we have not done that before. We are giving lectures in classes to the junior forest rangers at their camps; they have nothing else to do in the evenings so we are filling them full of this.

We are taking the classes into the Indian reserves, especially in northwestern Ontario. Four or five different reserves in northwestern Ontario have had lectures this year. We are having a little bit of trouble with respect to translation problems, but it is getting across and we think this is the role that this department should be playing in

encouraging prospecting. I would hope that we are going to venture into new fields in this way, too, with respect to all sorts of things.

I may have trouble Provincial Treasurer as we go into it a little later on, so I had better not get into it in too much detail. But this is a whole concept on which I hope the department will have an expanded programme on and we will have a little bit more in the way of material results to report to the members next year.

The member mentioned the cost of maps and reports. This surprised me. Quite frankly, I was not aware that there was any map produced by this department that cost over a dollar. In respect to some of these reports, I can see them costing four or five dollars, perhaps—but not the maps. The matter of the reports is a point we will certainly take under consideration.

The tax system: this is a matter that is receiving very serious consideration right now within the department. The member lost me when he started talking about the satellite programme, I just do not understand it. I appreciate, I think, what the new Minister of Communications at the federal level is going to attempt to do, I understand, with respect to TV satellites. But I do not understand how this could be fitted in with some of the concepts we are formulating right now in respect of data retrieval, computers and closed-circuit television within the department itself for the greater availability of mineral information within the province. But how this could tie in with the federal satellite thing I am not too sure, unless the member is talking about the exciting concept of the Minister of Education with respect to this biblio centre thing. If that is what he means, we will tied in with that.

Mr. Stokes: Maybe he wants to put the Minister in orbit.

Hon. A. F. Lawrence: Could be. But other than that, I am afraid the member lost me. I do not understand it.

Was there anything else the member had?

Mr. Knight: Yes, the annual claim limit. The select committee recommended, I believe, that it be increased to at least 20 in a block per mining division. Has the department considered putting that into effect, that recommendation of the select committee, in order to increase the annual limit of claims that can be staked?

Hon. A. F. Lawrence: I am sorry, I missed the first couple of words when the member started out there.

Mr. Knight: Yes. I brought up the point of the 90 claim annual limit on the number of claims that can be filled a year. The select committee recommended that, since it is done by division, it had been no more than 18 files per mining division. They recommended increasing it to 20.

Hon. A. F. Lawrence: No, no, it is 90 anywhere in the province. If somebody wants to do it in one division they can do that. That is no problem. That is my understanding. I am going to put the member off here though. That comes under the mining lands branch, not under the geological branch. That would be vote 1306, rather than this one.

Mr. Knight: Well, I am just merely quoting from page 29 of the report of the select committee on mining.

Hon. A. F. Lawrence: A lot of those recommendations have been put into effect.

Mr. Knight: It states:

> The limit has been increased to meet changing situations and presently stands at 90, of which not more than 18 may be staked in a year in any one of the 14 mining divisions of the province.

In other words, you cannot stake more than 18 in a given mining division. And so the recommendation from the committee follows that this should be increased to 20 per division.

Hon. A. F. Lawrence: Well, as I say, this should really come under the mining lands branch vote of 1306, but because it has been brought up—we have gone well beyond that. The holder of any individual licence can stake 90 claims anywhere in the province. That is a two-year old report, you know, and we have done some things.

Mr. Knight: I am glad to hear it has been increased, but as I understand it even 90 is quite a limitation. What is the reason for this? Perhaps I am just ignorant, I should know why there is a ceiling placed on it.

Hon. A. F. Lawrence: It was increased from 18 to 90, but the purpose of it is obviously to restrict the hog—I will put it that way. Okay? Some guy goes out, thinks he has something, and before you know it he has tied up five townships on a single

licence. Well, this is inequitable. On the other hand, it was the view of the then government of the day that the restriction of 18 was too small, so it has been increased to 90.

Mr. Knight: But, really, Mr. Chairman, this individual licence limit of 90 claims for the year does not really restrict the hog, because there is such an illegal thing as filing by proxy, staking by proxy, wherein someone uses an asociate's mining licence and there is no limit on the number of associates. I understand this is going on very prevalently out in the field, that it is really a useless law because they are doing it anyway.

They are only limited by the number of licences that can be obtained by individuals and so you are only limited to the number of individuals there are and therefore it is not really a limitation and it should not really exist, because it is just an invitation to break the law.

Hon. A. F. Lawrence: Well, as I say, this should really come under vote 1306. I would rather have any further discussion of it when I have the official here who knows the answers far better than I. But we will certainly take the views of the member under consideration. That is the easy way out, I suppose, at this stage of the game. But certainly I think it is fair to say that the experience of the department is that this is now not being abused to the extent that the member would indicate.

Mr. Knight: Mr. Chairman, if I could just get back to the maps, the aerial magnetometer survey maps. Is the department absolutely sure that the full benefit of these surveys is going into the finished product, into these maps? The word that I get from the field is that in many cases the maps that are coming out as a result of these surveys are just a sort of a rehash of old information they already had with just a little bit added to it. I just wonder if you are really getting the full benefit. Are these maps actually turned out by the national geographical institute, or by the department?

Hon. A. F. Lawrence: They are turned out by our own cartographers who have quite a reputation, I might say. We have one of the best cartographic units, I think, in the country, and they are being turned out by our own unit. The GSC is helping with the paper work, field work and production of it. But they are being distributed here.

Vote 1302 agreed to.

On vote 1303:

Mr. Ferrier: Mr. Chairman, this point that I raised on vote 1301, on page 6 of the orange booklet, page 6, part 9, section 62-2, it reads as follows:

> Subject to the requirements of this Act, and except as otherwise provided in the Act, the responsibility for the authorization and decisions as to the qualifications of employees rests with the employer, or his agent.

Now, my position is that this section interferes with collective bargaining, and my friends protested this section through the mining committee of the Legislature some years ago. At that meeting, a spokesman of the Ontario mining association said that they had no intention of using this section to interfere with collective bargaining. Despite this assurance, it has been used in arbitration.

When an arbitration involves the determination as to whether a man has the quality or ability to do a job, if this Act is used, then the union has no case, as this law supersedes any contract or other Act.

Mr. Chairman: Will the member relate collective bargaining to mines inspection? I would just like to make sure.

Mr. Ferrier: Well, the hon. Minister said that this was to be brought up under this vote. I thought that it might pertain to policy, but he wanted it to be brought up under this vote.

Mr. Chairman: May I ask the Minister if collective bargaining comes under the mines inspection branch?

Hon. A. F. Lawrence: No. This relates, I suppose, to the operation of mines?

Mr. Ferrier: That is right.

Hon. A. F. Lawrence: Well, I suppose if it has to be discussed anywhere it might as well be here.

Mr. Chairman: Perhaps it should have been under vote 1301?

Hon. A. F. Lawrence: It is a grey area, Mr. Chairman.

Mr. Chairman: In view of the grey area, the member may proceed.

Mr. Ferrier: Then there is another section of the Act in this orange booklet section,

165-3, and this has to do with medical qualifications, and examinations to qualify as a hoist man.

The person has to secure a medical certificate. An almost unbelievable experience was had by the steelworkers union in the Timmins area. An employee of one of the mines applied for a hoisting job as provided for under their union agreement. The company had him examined by a company doctor and he said that the man was colour blind. The union then had the man examined by one of the foremost eye, ear, nose and throat men in Canada who said that he was not colour blind. The union took up the case and the company arrogantly quoted section 165-3 of the Act which says that the person must be examined by a legally qualified medical practitioner acceptable to the employer.

This, of course, precluded the union the right to go to arbitration as again they were faced with a ridiculous section of the Act, superseding a collective agreement. The company refused to accept the diagnosis of a qualified specialist in the field as opposed to a general practitioner as was the case.

The irony of this situation should be noted. This same company, when getting the eyes of their staff examined, sent them to the same specialist that the union sent the aggrieved employee to. However, they refused to accept the findings of the specialist in the case of the employee.

The changes needed in these sections are quite simple. The changes in 65-2 should read something like this. This section shall not apply when there is a collective bargaining agreement in effect between a mining company and a union.

The change in 165-3 should be: Unless the person has been examined by a legally qualified practitioner, and where possible and necessary, a specialist shall be consulted. These words, "acceptable to the employer" should be deleted.

Now, these were brought up with the mining committee, and there was some thought that they might be acted upon. It interferes with the operation of unions in the mining industry. I would like to have the Minister's comment as to whether he is prepared to see that these two sections are amended as we suggest.

Hon. A. F. Lawrence: We will certainly take this matter under consideration, but the whole theory or concept running through The Mining Act is that first and foremost the operator of the mine is responsible. I am sure that is a fairly onerous duty, to be responsible for the mine and the employees.

I do not think that everyone is versed in the peculiar problems that arise in the mining industry and I am sure that the hon. member is not. I find his criticism of that section of the Act a little hard to understand.

If there is a conflict of opinion between the employer and the union as to the qualifications of a man, the employer, being responsible for the worker in law, under not only The Mining Act, but in law, in general, for the operation of the mine and the safety of those employees, must be the one to decide ultimately as to the qualifications necessary for the job, unless there are other qualifying factors, one of these being the hoist man.

The hoist man is a pretty important individual in the mine as I am sure the hon. member is aware. We have stepped in there, and with some statutes we have indicated some qualifications that should be right in the statute. If there is a dispute as to the qualifications of the medical practitioner who was supposed to give the certificate, then surely this is a dispute where both sides are acting in good faith, both management and labour. They should iron this out themselves.

Certainly there are, on occasion, conditions in collective bargaining agreements which relate to this matter. If, in this particular instance, it has not been settled, and if there is no provision for settling a dispute such as that within the bargaining agreement, then it had better go in next time. But in the meantime, the statute takes priority.

It should be, in my mind, a medical practitioner of the employer's choosing. I say that quite bluntly to him. I cannot appreciate any real criticism of that.

However, you have made your point. We will take a look at it and, as I say, I am new at the game. I may not know what I am talking about and this is one of the purposes of an exercise such as this. We will take a look at it. I may be completely all wet on it, but I do not think this particular problem has arisen before, and certainly that section of The Mining Act has been in force for a good length of time.

We are revising these sections of the Act and this will be the responsibility of the departmental committees to take a look at this particular problem.

Mr. Ferrier: I think these sections, Mr. Chairman, mean that there is no appeal, and

if there is a grievance, as there obviously was in this case, then the company acts with a high hand. I think in many collective agreements that if there are what the working man or the union feel are abuses then these can be taken to an abritration board and a judge usually decides if the employee has a case or not.

But in this instance, there is no possibility of seeing if the man has a legitimate grievance because he is precluded by the sections of the Act. I think it allows the company sometimes to act in a high-handed way. I do not think that the unions would want anybody in there who would not be a good safety risk. I think they are as concerned about protecting the lives of their members as the company is of preventing accidents, but I think that if these two sections were appealed that these kind of grievances could be proceeded with as they are in other industries, and they would not be subject to the same abuse or in some cases I think some of the injustices that could result.

Mr. Chairman: Vote 1303? The member for Sudbury East.

Mr. Martel: Mr. Chairman, in looking into the public accounts for 1966-67, I see that the amount allowed for mines inspection branch was in the neighbourhood of $350,000 and two years later it still only reached $406,000.

Before I begin with this great collection that I have here, it seems to me that this is probably one of the reasons for what I consider a deficiency in the inspection branch of The Department of Mines.

I simply do not think this is enough money to allow the Minister to hire or employ the number of people that would be necessary to ensure that the various mines in the north are inspected adequately.

This is my first complaint. I do not think we have enough money allocated here and possibly the Provincial Treasurer could get a little more generous with the amount allowed.

Now, I want to delve, at some length, into safety. Before I begin this, I want to say that I am looking at safety from two points of view. Safety for the men, but also safety from the point of view that the production would be greater, the number of injuries less, the compensation would be less—and when compensation is cut to 50 per cent, the welfare would be less—if we could cut down the number of accidents that are occurring in the mines and in the smelters.

However, the companies that I am associated with are not the most encouraging people to work with when it comes to safety. This is a tight little sector that they want to hang on to and control by themselves. They have no desire to share safety with the union, the people who are directly involved, possibly because it is going to cost a little money to bring the plants into a proper and safe condition.

Now I want to go back, and this is no reflection on the present Minister of Mines, I can assure you, but I want to go back to about the middle of March when we had a disclosure—some people do not like me using the word "tipped off"—that the companies are advised about inspections. Now, for 20 years in this province, this department has denied categorically that the companies were aware, or were given advance notice, that an inspection was going to take place. And as a result, when they got the tip-off—

Hon. A. F. Lawrence: I know the hon. member wants to be fair, but that is not so.

Mr. Martel: The unions were always advised that the company did not know in advance that an inspection was going to take place. Now the company might have known, but the unions are convinced that it was always a denial that this was going to take place.

Hon. A. F. Lawrence: No! We have exchanged a lot of questions in the House, and we have exchanged a lot of communications about this. The point is that in some cases the company has to know in advance.

Mr. Martel: I am coming to that.

Hon. A. F. Lawrence: I do not want any blanket, generalized statements that will start weaving around my ear. In no cases did the department advise management that an inspection is going to take place. Because I have indicated, on the floor of the House, that this is necessary on occasion. All right?

Mr. Martel: I am coming to that point. I disagree completely with the Minister that the companies have to know in advance, because what happens when the company knows in advance is that they keep men in and they work overtime and they clean the place up where the royal tour is going to take place. This could be checked out by the reports that the Minister gave me on the conditions of the coal plant in Copper Cliff, when we had a glowing report on the conditions and yet, a month later, there was

another explosion because once the inspection has taken place the conditions are allowed to deteriorate again.

What I am saying is that the companies should not know in advance, not just for the sake of the union, but for the sake of all the men involved and the company.

If the company does not know, they will have to maintain the good conditions that exist when there is an inspection going to take place. These conditions will exist year round and well they should, because when this disclosure that the company had to know in advance was given to me in the House, I received phone calls, not just from the mining industry or the mines unions, but from the UAW and all kinds of unions across this province, that this was going on in their industry as well.

I think it defeats the whole purpose of an inspection, which is to see the conditions which exist day by day. If we are going to clean the whole operation up solely for an inspection, then we defeat the whole purpose of an inspection and we might as well not go through with it. It is just an exercise in futility.

Now, as a result of this, the men have become quite disillusioned. The Minister has the same correspondence I have, but I will just make reference to two of them, regarding what the men think of inspections:

> I am sure that if these mining inspectors were doing their job as it should be done, and if the Inco safety engineers were sincere about safety, a lot of our problems would be corrected and many accidents that are now taking place would be prevented. Unfortunately, this is not the case and the result is what we are going through today.

The men do not have any faith in the inspections that are taking place. The Minister was with me in Sudbury and they are quite emphatic about this point—they are not too convinced that the inspections are achieving what they should be achieving, and this is why I criticize the amount of money being given to the Minister because I think he is not getting sufficient funds in order to have the type of staff that is necessary to do the job.

Now the problem areas. I have mentioned the coal plant. This is just one. But one problem area that really seems to be coming into a great deal of play, deals with the tagging and locking process, and this is the correspondence I have received to date on this.

I just want to go into one case—May 27 to Mr. R. L. Smith. I am just going to read a couple of portions and then I am going to read a couple of affidavits which are completely contrary to what the mines inspection branch found to be the case.

I have to point out, sir, that section 462 of The Mining Act reads as follows:

> Competent persons in charge. Where electrical apparatus is used at a mine, it shall be in charge of an authorized person who shall be qualified by experience to handle such apparatus.
>
> Every person operating or having charge of an electrical apparatus shall have been instructed in his duty, and shall be competent to perform the work that he is set out to do.

This deals with the problem of men who are ordered to work on live equipment. Mr. Smith's branch looked into this and in his report to Mr. Falkowski of the safety and health branch, he said:

> Just to sum it up, no one was asked to work on live equipment.

And I have in this bundle somewhere, affidavits sworn out by three men:

> On May 23, 1968, I was a member of a work group instructed to proceed to work on electrical substation equipment thought to be properly switched and tagged, but which, in fact, was still carrying 6,900 volts.

And I have three such affidavits. Now this is completely contrary to the report submitted to the union by the mines inspector. The point I am trying to make again is if you relate this to the fact that the men are not sure that advising the company is advisable because it gets cleaned up if the mines inspection branch seems to go along with the company, there is no confidence of the men or of the union in the department and this is not what we want.

I think we want to work, all of us in this Legislature at least, for betterment. It is beneficial to the company and it is beneficial to those employed, but it is an area that the company does not want anyone involved in.

Now I could go on to gas and dust but I am going to eliminate these two sections. I want to get at Dravo and MacIssac. Now I put some questions to the floor some time ago and Dravo and MacIssac, strangely enough, do get involved in actual mining. I could read the extracts—just one short one

from the Minister on June 6. The question though, I think, does create the wrong impression when it mentions that these two companies are involved in standard mining operations.

I have a letter from the union which says that MacIssac is operating at MacLennan mine at Bolen's Bay and this property is producing ore. They are driving raises and are carrying out standard mining procedure. This has been going on for quite some time.

Dravo is operating at Clarabelle. There are two shafts at the property. Dravo is doing the mining and the hoisting. They use trucks to dump the ore into the open pit. Inco uses their shovels to load this ore and it is also crushed and processed by Inco.

It goes on further in the letter:

> We do not know that Scobie open pit is producing also; at Crean Hill open pit, Pioneer Construction is doing the work on this property, and these people have no safeties really.

They have one of the worst accident records, I imagine, of any company in Ontario and that is why I raise the question with the Minister.

It might appear that I am being pro union, but I am not; this is the safety of men involved here—their lives and so on. Now, some of them are ridiculous accidents and I will agree with the Minister that some of them are through negligence on the part of the men.

However, I think we have to get safety teams into these areas and, if necessary, we are going to have to legislate it because these companies are not going to give up their preferred position. They want the sole say when it comes to inspections.

The Minister also wanted to know about—and I do not know if this comes in at this point—recommendations of inquests as a result of accidents, and the fact that the company is not implementing them. I believe the Minister received a letter dated July 11, 1968, and I will just read a few of these to indicate again that the company does not implement the safety regulations which would cut down the number of accidents that do occur:

> Inquest into the death of V. McIntyre, shaft No. 9, Scobie: Recommendation: Closer safety supervision should be applied to all contract or temporary mining projects where companies are sinking shafts for later mining development.
>
> Inquest into the death of Alexander Boudreau, March 13, 1968: Recommendation: It is recommended that the company institute a safety programme coupled with an intensive training course for new employees.
>
> Inquest into the death of F. Quigley: Furthermore the jury recommends that a safety engineer be hired by the company for each operation, and that more co-operation should exist between men and management in the field of safety.

The same thing goes on, and all that I am trying to illustrate here is that if the companies are not willing to give up their share or to participate in an active programme with the men, then I think it is up to the government to legislate this into existence. I think the Minister is aware that they do not want to reliquish this position where they themselves are responsible for safety. I would certainly appreciate something very concrete in the way of recommendations or assistance to alleviate this problem from the Minister of Mines.

Mr. Chairman: Does the Minister have any comments?

Hon. A. F. Lawrence: Yes, I do, Mr. Chairman. It is not my position, nor the position of any Minister in this government to attempt to take the place of management *vis-à-vis* with organized labour in any particular industry. This I do not intend to do.

On the other hand, I think other people can be used on occasions as well as by other organizations and other vested interests. In respect of the floor of this Legislature as well, I know the hon. member is aware and cognizant of the danger that we all can fall into on occasion by being used as a tool of some group—so I just want to get that across.

I have been a member of an international industrial union in my day and, therefore, I am not anti-labour any more than this government is, or this department is, than I am pro management, but I have come to the conclusion, and I must be quite frank and blunt with the House, Mr. Chairman, after having come into this department that, in the Sudbury area, there are certain agencies of government that are being utilized in respect of management-union problems in a way in which they should not be.

I think our inspection branch in the Sudbury area on occasion has been deliberately harassed and deliberately used, especially, almost exclusively, by local 6500 of the

steelworkers for two purposes: 1. Political; 2. As a means to bring added pressure to bear at a time when a collective agreement is going to be running out within the next 12 months.

Now again, as I say, I have come into this thing with no preconceived notions or ideas whatsoever, one way or the other. To have preconceived notions as some critic pointed out to me a few weeks ago in the north, you have to have knowledge, and boy, you do not have any. They were saying this to me, but I just say that this is my impression at the moment.

It is an unfair position, I think, to put conscientious, overworked and, in some cases, underpaid, civil servants in the position where they are being utilized as pawns and tools in a struggle for a better collective bargaining agreement between a powerful, aggressive union and a powerful aggressive group of management. Quite frankly, I do not like it at all, I do not think this is fair. I do not know how to combat the thing.

You talk about electrical problems as far as tagging and switch-pulling. There is no question at all that there is a dispute going on right now between management and labour that, it appears to me, is not totally unrelated—but is not related in very many specifics in any event to the question of safety at all. It is related to the question of qualification and who is going to be what in the bargaining agreement, and in respect of certain details within that agreement. And I think a lot of these questions that are now coming forward relate more strictly and solely to the economic end of things, in an argument between management and labour, than they do to safety.

Now, this may not be so in all cases. I can say to you that each of these cases, to the best of our ability, have been face down. These complaints that have come to us have been immediately transmitted to the local engineers, who on the whole are extremely experienced, qualified, conscientious people, and who are being driven up the wall, I may say, by some petty complaints and some petty matters that should not have come to them at all and which any government agency should not be bothered with. And as I say, this irks me.

In any event, it is our duty and responsibility in government to make sure that these things are traced out and are rectified if, in the view of the people in the field—and after all these are the ones I have to rely on—our local inspectors in the field believe that they should be. And on the whole they are. And in some of these cases, they are judgment calls.

The government inspector has not a halo over his head as far as infallibility is concerned; he can be as wrong as anybody else. And in these cases we are doing it. But we just simply do not appear to have the problems, in respect of these safety matters, anywhere else in the province, that we have between Inco and local 6500, as far as the quantity of them is concerned.

Far be it for me to stand up in this House and attempt to justify or defend International Nickel—they have more means than I have, or perhaps even this government has, of presenting themselves—but, on the other hand, I look at statistics and they have got more safety engineers than the rest of the mining industry put together, underground and in their plants in the Sudbury area. Their safety record is one of the best in an industry in which the safety record is one of the best of any industry. I regretfully have come to the conclusion that perhaps the hon. member, but certainly the officials in the department, are being deliberately harassed in a manner that is leading far more to industrial disputes on an economic basis than they do in respect of safety matters.

But, regardless of that, it is still our duty and responsibility to check these things out, and this we are attempting to do to the best of our ability. We have increased the staff. The staff of safety engineers has been doubled in the Sudbury area over the last two years; there is a vacancy there right now. We have a hard time, quite frankly, getting mining engineers to work for the department in the Sudbury area because of the current conditions there. The reputation of this fight and this battle has spread right through the mining industry, right through the north. It is no secret. I am not saying that where there is smoke there is not fire; we have got to check these things out. But it is an unfortunate situation and I think in some of these respects the officials of local 6500 should be a trifle more responsible than they are being at the same time.

We will get after Inco; I have no fear of Inco in relation to telling them off or putting them in their proper place, any more than has the most junior engineer on the staff of the department. But I do want to say, with the greatest sincerity, that it is an unfortunate situation. It has a far greater relationship to the expiry of the collective bargaining

agreement next year than it does to the safety matter.

Now in respect of the contractors; again looking at statistics, this worried me sick when I saw that this year alone the two contractors in the Sudbury area had three fatalities. Last year, I think they had one; the year before that they had two; and the year before that I do not think they had any. But, in any event, so far this year there is a terriffic increase.

And I have made my views known, both publicly and privately, as the hon. member knows, I think, to the mining companies in the Sudbury area respecting these two contractors. The chief engineer, Mr. Smith—sitting right in front of me here—has been up there just within the last ten days taking a better and closer look at the whole situation. It is not a good one; it is one that has us all worried. But then again, statistics do not tell you everything. I look at the three fatalities that have occurred up there. One was the result of a drunken truck driver running over somebody. Good heavens, this can happen and probably does right out here in Queen's Park Crescent more often than it does in the mines. Really, this has nothing to do with mining safety.

Number two was some guy who got on top of a waste chute, attempted to get the waste moving, and while he was standing on the waste chute, he indicated to the man who controls the chute at the bottom that the thing should be opened. He signalled, the thing opened—no more man standing on any waste chute. Again you can legislate all you want; you can have safety committees all you want—these things happen.

The third fatality, I have forgotten the details of it, but it was equally stupid and inane as those two were—if not more so. As I say, you can have all the standards, all the legislation you want. Nevertheless, the whole question of safety and a safety programme in respect of these contractors, is being looked at very carefully by the department. There have been great reforms just within the last two or three weeks that the hon. member may not be aware of. I am sorry I do not have the details of these but there have been safety programmes, crash programmes instituted, I understand within the last two weeks.

There has been the hiring of extra safety personnel, and I can assure you that the matter is not being taken lightly by the officials of the department and it is receiving very serious consideration.

Mr. Chairman: Vote 1303.

Mr. Martel: Just a few comments. One is the safety record. As the Minister himself indicated, sometimes figures do not give everything that they should. Inco has a practice; the man gets injured, they bring him into work by cab and it does not show up on the safety record. How do you defend against this sort of practice, where men are brought in to sit in a dry for five or six weeks on end?

Hon. A. F. Lawrence: Well, my understanding of the workmen's compensation board regulations—I may be wrong—is that the injured party has a choice of medical attention at all times. This is a medical problem rather than a legal problem or a statutory problem. I know you have indicated this before to me in correspondence. We have attempted to check these things out. But it is the doctors, the medical practitioners, the certificate of approval that must be given for the return to work of anybody who is injured. Again, how far can you go in legislation? What reforms can there possibly be there? Are we going to set up a panel of 27 medical practitioners who look at everybody who has got a scratched finger? I mean you have got to be realistic about it as well.

Mr. Martel: I am not talking about a scratched finger; I am talking about broken legs—where the man is brought into the dry and he does not even show as a compensation case, in order to keep the rates down. This is going on continuously. They send cabs out to get them for five or six weeks on end. They even take them underground. I am not disagreeing with everything the Minister has said, but this bit of safety—certainly since I have become familiar with it—goes much beyond the fact that a contract is going to expire next year. This goes back years.

I mean my relationship with these people goes back long before this contract is going to expire. Some of this might be true, but at the same time I can talk about fatalities where a man does get killed and then they immediately set up a programme to teach the new job. Well, why do they not teach the man the job before the fatality occurs, as in the case of Thomson? They are now training very, very well—but why did they not do it before the man got killed?

This is my concern. I am not taking management's part against the union's part. I am saying these safety programmes should be in now, because if the union man violates a company rule, they have recourse to give him time off, and so on. But what recourse has the union got when the company violates safety? There is none, unless you are going

to tie it up with a walkout, which would be ridiculous. I think the Minister is aware that some of these mining barons are not willing to give up their position of having the final say on safety.

Just before leaving, I would just like to show you how a safety meeting goes. Now if the union had the right to say to the company: "Something is dangerous, let us sit down and talk about it," and they sat down and discussed it, let us say, within 24 hours, you possibly could get away from it. But this thing can be stretched out for weeks before it is dealt with, and the procedure is as follows. Management does not recognize a committee at plant or department level. They will only recognize us as a group of employees. We must enter our initial complaint with our immediate supervisor. If he does not take action to correct the situation, then we go to a higher supervisor. We list our complaints, give a copy to the plant superintendent and then he grants us a meeting.

This may take two or three weeks, but the safety factor is something that could be imminent and in two or three weeks you could have someone dead. This is the area I am trying to get at—the fact that companies should be willing to sit down with the union to eliminate a problem when it exists. Not two or three weeks from now, or not because there is an inspection going to take place—but immediately. I think everyone will benefit—the company, the unions and the compensation rates will go down and productivity will be higher than it is at the present time. This is what I am interested in. I am not interested in internal disputes between the union and the company. I am interested in safety for the sake of the men involved.

Mr. Chairman: Vote 1303.

The member for Sudbury.

Mr. Sopha: Some of the comments made by the Minister, Mr. Chairman, I heartily agree with, and would preface what I have to say by saying that the most disenchanting feature of the atmosphere of the community which I represent, is the constant warfare, the pall, the clash of two mighty economic organizations, that hangs over the community. I am told by university people, people of intellectual attainment who can observe phenomena like this, that upon arrival in Sudbury, the thing they noticed is this operation of the dialectic between the mighty union on the one side and the company on the other.

One gets very discouraged of course, that there seems to be no break—no sunrise on the horizon—that someday might be replaced by an attitude of co-operation in the development of that very rich and very gigantic ore body. But certainly, on the part of the union, one sees that local 6500 is managed by a mere fraction of its membership. Its membership is something like 18,000 in the local, and only two or three hundred people take an active interest in the affairs of that union. They have a very small group down there. I think it is correct to say they think they know the last word on safety. They are very activist in this regard, in addition to what the Minister mentioned. I take very great exception and I took the opportunity to make public comment about it, to the harassment of the coroners. They carried on a veritable programme of harassment of Dr. Pidutti, who has given many years of very valuable and selfless service to the people of the community and who does not relish the obligation cast upon him to conduct these inquests. But these union people led by Falkowski, McGuire and others, came to those coroner's inquisitions and wanted to turn them into a political forum or an agency for collective bargaining, and wanted to intervene and, in many respects, disrupt the activities of the coroner, and they have the disease of course, that is promoted by the member for High Park (Mr. Shulman), who would give coroners' inquisitions a place in the scheme of things far beyond what they have been in our legal system or ever were intended to be.

Now Dr. Pidutti, I am glad to say, has very stoutly resisted this, and the Attorney General very encouragingly came to his defence in the attitude that he took, as against such things; that they want to bring a tape recorder and set it up and make a record of the proceedings. People wanted to give evidence about the matter who were not present or did not work in the mine concerned but wanted to give general evidence about mining practices. Well that was far and away beyond what was ever intended that a coroner should do. On the other hand, it is fair to point out that the attitude of the company is very resistant and inflexible and the company over the years has always adopted the stance that you must not give in or make any concessions to the unions because it will be a sign of weakness if you concede that they have some rights in the nature of a partnership in the working of

the ore body. So the struggle goes on, and where it ends I do not know. It is going to continue to be a characteristic of life in our community.

But I want to make a statement. I have made it here before. I think the member for Sudbury East goes too far in his criticisms and I say that my observation has told me that International Nickel is one of the most safety-conscious companies in the world. They make a fetish out of safety. They hire expert people to be in charge of their safety programmes. There is an adage around, that I never heard challenged, that they would take the whole crop of mining engineers that come out of all of the universities in Canada and would put them, not on production, but on safety and in the safety programme.

On the mining of their ore you hear jests. Let me illustrate it. A worker at Garson mines, who is a very dear friend of mine, worked there for many, many years—underground. One day they were putting on the storm windows and he puts up a scaffold there and he says, "well that ought to be safe enough for us to get at the storm windows. If I did that underground in the 1,700-foot level at Garson the foreman, the superintendent of the level and three engineers would have to come and check it before anybody was allowed to get up on it."

That reaction is multipled among the workers. Indeed, among some of the workers you often encounter the reaction that their opportunity to make bonus is inhibited because of the safety requirements. They do not let them turn themselves loose and work with all the vigour and lack of caution that they might otherwise do in order to make as much money as possible. It is said that if a man underground is reading a comic book the foreman will come along and suggest he get along and do some work. If he is caught without his safety glasses on he will get five days off. He is sent home immediately and required to stay home for five days.

I myself have been engaged in arbitrations in yesteryear on behalf of locals 6500 and 598 of mine, mill. Before that, when matters of safety formed the subject of the grievance, the company witnesses demonstrated, in their evidence, the strict adherence that the company requires to matters of safety.

Now what are the figures? I think it only fair to put them on the record in respect of fatalities. In the last five years. My source is The Department of Mines. (*See appendix*, page 5879.)

In 1963 in the whole mining industry there were 25 fatalities. Total number employed, 46,562. The rate per thousand was .54. In International Nickel at Sudbury and Port Colborne, there were 6 fataltiies out of 15,200 employees, making a rate per thousand of .39.

In 1964 there were 28 fatal accidents out of 47,309 employed and the rate per thousand was .59. There were two fatal injuries with Inco, out of 17,178 employed, for a rate per thousand employed of .12.

In 1965 there were 26 fatalities, with 48,975 employed, for a rate per thousand of .53. Inco had four fatalities out of 19,477 employed and the per thousand rate .21.

In 1966, there were 31 fatal injuries with 49,901 employed and rate per thousand of .62. Inco had seven fatal injuries, and 19,891 employed for .35 per thousand employees.

In 1967, there were 26 fatal injuries and 50,701 employed and the rate per thousand .51, and Inco had four fatalities out of 20,203 employed for a rate per thousand of .20.

In the last three years—with the exception of 1966—the rate for Inco has always been less than half of the national figure. In the last year, 1967, it is only 40 per cent of the total for the industry. The average for the 10 years from 1958 to 1967, was 33.2 fatal injuries per year, 51,905 persons employed; and the rate per thousand was .64. For Inco: 3.5 fatal injuries with an average of 18,295 employed, and the rate per thousand was .19 —which was just about something less than 30 per cent of the rate over the whole industry.

I think that considering the large numbers of people that are employed in Inco, collected in a relatively small area, as opposed to the very disparate nature of the mining industry—spread as it is over the land area that comprises something like 72 per cent of the total area of this province—it is quite remarkable that the rate is as low as it is, and I think that it is mute testimony to the great obsession with safety that the company has.

I thought that it was only fair to look into the statistics after I have sat here all year and listened to the member for Sudbury East ask these questions, and make these remarks, and see what they demonstrated. He can talk about workmen's compensation rates all he wants and I think that an investigation should be made into these very serious charges that he makes—that people are brought in taxis with broken legs. I think that Inco will be rather startled by those

allegations and I hope that they make some sort of reply. I doubt that very much that it occurs.

Mr. C. G. Pilkey (Oshawa): The practice occurs in the whole province.

Mr. Sopha: Here are the workmen's compensation rates for 1968 per $100 of payroll: Gold mining, $7; uranium, $5; and all other mining, $4; and nickel mining, $1.60; logging, $5.75; sawmills, $3.25; foundries, $3.25; construction, $3. The nickel mining at $1.60 is well below the average for all the other industries.

I doubt that the rate is a reflection of the things that the member for Sudbury East says and it would really surprise me that anything of that nature occurs. Of course I am aware that people are put on light duty. I do not see anything wrong with that when they are on process of recovery, they do it with a doctor's slip. I have had many clients ready for light duty go and get the doctor's slip, go back to work and draw their full pay.

But what my friend accuses—and he will correct me if I am wrong—is that the report to compensation is not made at all, and the people are just treated and brought in by taxi. He said that some of them were sent underground in that condition.

Well, I shall call Mr. J. A. Piggot up and ask him if that has ever been done. I would expect that he will—and he is a very fair and honourable man, manager of the works at Sudbury—certainly repudiate as nonsense any such form of suggestion.

Mr. Martel: I would ask the hon. member for Sudbury that he look into one case, and that is the case of Mr. Les Chayka, of Coniston. He can report back to the House for us.

Mr. Sopha: I know him. He was a bondsman of a client of mine.

Mr. Martel: Yes, that is right. You had better check into it.

Mr. Pilkey: It is no use talking to the management, get some employees and talk to them.

Mr. Chairman: The member for Timiskaming.

Mr. Jackson: Mr. Chairman, I do not like to become involved in dirt throwing, and I think that is what we have heard in the last five minutes—

Mr. Sopha: What did he say?

Mr. Jackson: I said that I did not like to become involved in dirt throwing, and that is what we have been hearing for the last few minutes. But when he talks about 200 people representing all the miners, how many people does he represent? Does he expect all these miners to come out to union meetings? I do not think that this is true.

But to get back to the vote. The member for Sudbury East has brought up the fact that sometimes the union goes to The Department of Mines, or the inspector. The Minister actually said that they harass the inspector, but previous to this he said that the company has the last word on safety.

Where does the union go when all of a sudden the company says: "This is how it is going to be." Does the union, when they think that there is a safety problem, just sit down and say "All right, let it be"?

I think that any representative has a duty to the people that he represents to fight right through to the last minute if he thinks he is right. If he thinks that he is wrong, then I hope that he is big enough to admit it. But, in many instances, I think that the mining inspector, when he looks into them, finds in many instances they are right.

If one man's life is saved—or a finger or an arm—then they have proved their worth. The fact that sometimes the mining inspector is caught in the middle, bothers me and everyone else, but as long as they are doing the job and creating an atmosphere of safety, then I think they should continue.

Hon. A. F. Lawrence: Mr. Chairman, I do not mind the inspector being caught in the middle because that is what he is paid for. If he does not like it then he better get out of the civil service! But, on the other hand, there have been cases where there was deliberate harassment on petty matters that relate more to economic activity than to lack of safety.

The member for Timiskaming asked where the union should go if they think that there is a breach of the provisions of The Mining Act. They go to The Department of Mines if the complaint has been made through the regular channels and through the provision for it in the collective bargaining agreement with the company. But quite often, in these things the regular channels are leapfrogged, just as in the case of the Sudbury area with this one local. At least this is where most of the trouble occurs.

The union and anybody else in the province has got a right to expect that the law of the province will be carried out and will be fulfilled. That is why there are safety provisions in the Act. There has already been an acceptance by government of the responsibility that certain minimal standards —at least minimal standards, in some cases far surpassing minimal standards—have to be set out in statutory form. This has been done by our predecessors in this chamber.

If there is any breach of those standards obviously the one who wants to hear about it is the Minister of Mines, but in the case of some of these grey areas, I just wish in respect to safety matters in any event, the two parties could get together on some of them.

It is not a fight between union and management. Apart altogether from the human factor—as the member for Sudbury points out—it is an economic thing as well. It makes good sense on the budget sheet at the end of the year to have good safety practices. Therefore, from that point of view alone—and I am led to believe that this is not the factor—but from that factor alone, obviously the company is as concerned as are the people in their employ to make sure that there are decent safety conditions in the mines. My point is that too often, I suspect, the safety provisions and the safety procedures are being used for another purpose and this I do not like.

Mr. Chairman: The member for Hamilton East.

Mr. Gisborn: Mr. Chairman, I appreciate the later comments of the Minister in regard to this problem. I have raised as many years as I have been here the question of the rights of the miner as to his demotion because of physical incompetence. I was just searching a brief I had to find the section of The Mining Act that provides that the management has the sole right to demote and carry on their operation as they see fit.

This section of The Mining Act removes any right of the union through a collective agreement to represent the employee when he is demoted, taken off the job or reduced in pay, because the company, the management feels that there is some decrease in his physical ability to carry on a particular job.

Now no one argues about that kind of a policy if it is in regards to safety, but certainly if he wants to give more than lip service to his feeling of a greater degree of co-operation between the employee and the employer in regards to their rights, he should remove that section, and allow it to be a matter of collective bargaining.

The union's only wish is to have the right to know, and to assure the employee that he has been justifiably demoted because of a physical deficiency, and to convince him that he has been given justice and the move has been made for his own benefit and for the benefit of his fellow workmen. But when this decision is made solely by management without any recourse, I do not even believe that they have the right to see medical evidence as to why management have demoted them—because they are not in their opinion, able to carry on their particular occupation.

In some cases, it can be a drastic cut to the employee if he is removed from being a hoistman, which is one of the higher paid jobs, a very responsible job, and one in which the workman must have all of his faculties at all times. He has the right to know why and as to whether or not he can correct his ailment and then go back to his own job. But he has not got this right under any legislation. The Mining Act takes this right from him, even though he is paying union dues to a trade union—surely in this regard he needs representation.

Now this question has been raised year after year, and we have never had any success in having the Minister of Mines take a real look at this particular section. I have not got it in front of me but I am sure that the Minister's officials who have been around the years that I have been in the House, have heard the same story. He could do something towards developing a greater amount of co-operation in this regard—the mere fact that they have the right to know why they have been demoted and what they should do on their own behalf to correct their ailment so that they might go back into a higher paying job; not just letting management have the right to say: "In our opinion your physical capabilities have changed and we will have to change your job. We have that right under The Mining Act which supersedes your collective agreement".

Mr. Chairman: Vote 1303?

Does the Minister wish to comment further on that point?

Hon. A. F. Lawrence: Well, merely that we did have a discussion earlier on this point; perhaps the hon. member was not in the House, I do not know. But again you cannot suck and whistle at the same time. You

have got to fix somebody with responsibility under the Act, and under the previous governments this responsibility has been fixed on the employer. And I am sure that the hon. member would not argue that that responsibility should be taken away from him. If he is responsible for safety in the Act in the mine, then obviously somebody has to judge the qualifications of these people. In the long run it has got to be the operator of the mine—it has got to be the management.

In any event, as I indicated before, the sections of the Act are being looked at by the departmental committee at the moment. There will, I hope, be a revision presented to the House perhaps in the next session, and your point of view will certainly receive consideration.

Votes 1303 and 1304 agreed to.

On vote 1305:

Mr. Knight: Just scanning the amount of money that has been appropriated to this particular vote—if we take a look at the figures in 1965—$25,000 was appropriated and nothing was spent. 1966/67, $29,000 was set aside, $227 were spent; in 1968 $29,000, and I see where the department expects to spend $30,000. Could the Minister explain why?

Hon. A. F. Lawrence: You are talking about vote 1305, sulphur fumes arbitrator. Well, this is really a bookkeeping entry. Yes, all the moneys are refunded by the companies concerned. This is set up by the department but the expenses are all paid by the companies involved at the end of the year. It has to be included in the estimates because the moneys do not come back from the companies until the end of the year. You get what I mean? In other words again, this is gross bookkeeping here. Gross amounts. These are the amounts that have to be shown in the estimates, but every cent of it does come back from the companies concerned at the end of the year.

Mr. Knight: Yes, but if you take 1965 there is nothing there. Does this mean that nothing went out, nothing was used, there was no activity in this area? There is not even a dollar indicated on the sheet.

Hon. A. F. Lawrence: Well, I do not quite understand. I am sorry, you have got me. My book only goes back to 1966.

Mr. Knight: In 1966, $227. It does not indicate very much activity.

Hon. A. F. Lawrence: Well you have got me lost. Oh, I see, right! I have to rely on my experts here.

The money is refunded on a calendar year basis, and, of course, our estimates are dealing with the fiscal year basis. So do not ask me why, but there is some sort of gap there back a number of years ago where that occurred. That is the explanation that has just been given to me in any event. Does that meet with your satisfaction, or not?

Mr. Knight: Well, I am not very clear. I am somewhat confused now. I understand that we are dealing in an area of air pollution control inasmuch as it has to do with sulphur. Is that right?

Hon. A. F. Lawrence: No! Maybe I had better explain this. The sulphur fumes arbitrator, I wish he would come out here if he is here please. He is a departmental official whose duty it is to act as an arbitrator in the event that claims are made under The Sulphur Fumes Arbitration Act. Now, his duties have been expanded of late in that he now keeps, in relation to his duties, records of sulphur fumes content in the areas of the province where smelting takes place. But the whole expense of this office and his staff and these records and what-not is refunded at the end of the calendar year to the department.

This estimate is in here because in the interval between now and when we get the money back, obviously he likes to eat and he likes to get paid, so this is the way we do it. But his job essentially is to arbitrate claims under the Act that are made against the companies concerned where no settlement can be reached between the parties involved. In other words, if in the growing season there is a inversion or there is damage to crops, then the person who feels his crops have been damaged makes a claim to the arbitrator and a claim to the company concerned.

It is the duty of the arbitrator to go out and to inspect the area and keep in his files, and in his records, the extent of the damage and the extent of the fumes in the air that day to the best of his ability. At the end of the year, that is, at harvest time, the claimant and the company then get together. If they cannot reach a satisfactory settlement of the claim, then the arbitrator decides for them. All of his staff, including his salary, are paid for by the companies involved at the end of the year on a formula of which I do not have the details, but I think it is

necessary for the knowledge of this House only to grasp the principle involved. Okay?

Mr. Jackson: Mr. Chairman, I just have one question. In the case of some of the land deeds in the Sudbury area, there is a little rider attached to them that says that—

Mr. Chairman: This is 1306?

Mr. Jackson: Yes, it is.

Mr. Chairman: Well, we are dealing with vote 1305.

Mr. Jackson: Sulphur arbitration, this is what I am getting to.

Hon. A. F. Lawrence: Go ahead.

Mr. Jackson: It is a rider that is attached to some of these deeds and I do not have it here at the moment. But it states that the owner of the property cannot come back on the company involved for damage done by sulphur dioxide fumes.

Mr. Sopha: He is right. That was the Hepburn government.

Mr. Jackson: I am just wondering how this can be legal, that such a rider can be attached to any deed, where a man cannot come back and claim damages for a recurring situation. Would the Minister comment on this?

Hon. A. F. Lawrence: Well, I must admit I have not heard of this before, but I can well imagine that where service rights are owned by a company and they sell those rights, they can reserve whatever they want. If somebody is fool enough to purchase those rights, I suppose this is the situation, with those reservations in title, and it is not a clear title. There are those reservations in them. It is exactly the same as a land developer presumably selling new land, but reserving an easement to the Bell Telephone or the Hydro for a line over it or a sewer to the local municipality under it. I would suppose that this is the situation.

Now, as I say, I have not heard of this before, but I am informed that in the days of the Hepburn government this was legalized by an Act in the Legislature of that government. It would seem strange to me—and this is right off the top of my head—that private covenants or private conditions could override a matter of public policy. But apparently this was done. Let me take a look at this. It is the first time it has been brought to my attention, so let me take a look at it.

Mr. Jackson: Mr. Chairman, I will be glad to give the Minister a copy of this.

Hon. A. F. Lawrence: All right!

Mr. Jackson: And I would just like to say that an easement across a piece of property for a sewer or a hydro line is something you can put your finger on. You know it is there and you have to allow for it. But fumes that are in the air you do not see. Most people moving into the area do not grasp the significance of it. If the Minister is going to look into it, I urge him God speed. If something can be done, it should be done as quickly as possible.

Mr. Sopha: Mr. Chairman, on this point, I have looked into this and I had hoped it was something I could blame this government for. To my dismay I discovered that in 1942 by order-in-council of that previous government it was laid down that all land, all Crown lands after that date in the Sudbury area, contain a sulphur fumes easement and are not subject to any action for damages and they are not amenable to sulphur fumes arbitration. And on the patents issued by the Crown since that time, that easement is included.

Mr. MacDonald: That government was a little more susceptible to Inco pressure—

Mr. Jackson: Mr. Chairman, this makes it that much worse. It compounds doing it. I think this department should take a very serious look at it.

Hon. A. Grossman (Minister of Correctional Services): I would like to try for my QC on that.

Mr. J. Renwick: Mr. Chairman, on vote 1305, would the Minister tell me how many notices of arbitration the arbitrator would receive in, say, the last year?

Hon. A. F. Lawrence: In the last three years I do not think there have been any arbitrations. There have been claims, but no arbitration. In other words, the parties themselves have come to an amicable, presumably, an amicable settlement and there have been no arbitrations.

Mr. J. Renwick: Well, I wanted to know how many notices of claims.

Hon. A. F. Lawrence: Notices of claims—20 to 30 a year, I am told.

Mr. J. Renwick: Then could the Minister tell me from what areas of the province they come?

Hon. A. F. Lawrence: Yes, they come from the Sudbury area, the Wawa area and that is all.

Mr. J. Renwick: Are any claims subject to arbitration under this Act from the Erco plant—

Hon. A. F. Lawrence: From the what plant?

Mr. J. Renwick: The Erco plant in Haldimand-Norfolk?

Hon. A. F. Lawrence: No, that is not sulphur, is it?

Mr. J. Renwick: There are no sulphur fumes from that.

Hon. A. F. Lawrence: I may be wrong, but I do not think there are sulphur fumes. The concern there is not sulphur fumes.

Mr. J. Renwick: Well, my last concern is that for some reason or other, and I recall asking the Minister of Health about this when The Air Pollution Control Act was passed. One section of that Act, which is the elaborate section concerning a person complaining about air pollution causing damage, outlines the procedure which is to be followed to a board of negotiations and so on. The Act specifically, by its terms for some reason or other, exempted any of the claims which should be dealt with under The Damage by Fumes Arbitration Act. The Minister at that time indicated that that was only for the purpose of his department taking over the field of air pollution and that in due course The Damage by Fumes Arbitration Act would be done away with and The Department of Health would take it over. Is that the Minister's understanding of what will take place?

Hon. A. F. Lawrence: Well, I would not want to make as definite a statement as that, but I can say to the member that it is the wish of both the Minister of Mines and the Minister of Health that if and when we can ever close these sessions off, we will get together to discuss this whole matter, because there is a bit of an anomaly here.

If government policy is that all matters of air pollution should be under The Department of Health, perhaps it is still a hangover. On the other hand there are special considerations involved in the function of this particular thing. All I can undertake to the hon. member is that if we can ever end up these sessions—

Mr. J. Renwick: I think we will.

Hon. A. F. Lawrence: You think we will?

Mr. J. Renwick: This is part of the operation of government you know. This assembly is not something designed to interfere with your work.

Hon. A. F. Lawrence: My worry is the time element only. I know the hon. member may be super-human, but for Ministers of the Crown—in any event, there still are only seven days a week and 24 hours a day; this is one matter of many, however, that has been postponed until the end of this current session.

Mr. MacDonald: Mr. Chairman, the point I wanted to raise has been partly considered. I wanted to ask what, if any, co-ordination there was between the operation of this Act and the general move into coping with air pollution through The Department of Health. But the Minister has indicated that when the session is over he is going to sit down and see if there should not be a co-ordination instead of this departmentalized approach. But when he does, there are a couple of points on which I must say I have rather mixed feelings. They may not be consistent, but if the Minister is reviewing it, let me present some of the contradictory feelings.

One, with regard to the operation of this Act, I think there is a bit of a two-sided feature in it, that the company is so intimately involved, and at the end of the year they compensate anything that happens to go out. I remember raising this with one of the Minister's predecessors and he conceded, this is back some years ago, that it might be better that it be handled cleanly by the government. Then, if they wanted to bill on a regular fashion for fumes and their damages, or on some *ad hoc* fashion in accordance with the claims that were made during that year at the end of each year.

However, on the other side of the picture, now that we are moving into coping with pollution and fume damages, I think it is a legitimate proposition that the company that causes the damage should have to foot the bill. I think that we should watch that we not move into some procedure whereby this becomes, in effect, a public responsibility to compensate for that damage. And, even if

one does get a more co-ordinated approach between what is happening here and is happening to the Minister of Health, and even if one gets a tribunal that is more directly in the government instead of operating on the doorsteps of the company, and in the minds of some perhaps they were erroneously subject to pressures from the company to keep the claims down because they have got to pay the bill at the end of the year.

I still think that we have got to have some arrangement whereby the industry causing the damage has got to pay the bill. And that might be an incentive for them to clean up fumes that have been causing damages for many a year, in many other parts of the province, such as Erco. I leave it to the Minister in his contemplations following the close of the session.

Vote 1305 agreed to.

On vote 1306:

Mr. Sopha: Mr. Chairman, I wanted to say to the Minister in respect of this vote that I hope that the display, in relation to the staking of the land that the department threw open in Elliot Lake, is the last circus-like activity that we encounter in that way. I would think, from following it, that the highly-idealistic conception of the small prospector did not materialize in the form of many participants of that type of creature in that staking rush, carried on under the aegis of the Minister.

One got the impression that in end the very large group of well-heeled people, using helicopters, snowmobiles, and all sorts of other mechanical devices, ended up with the lion's share of the land. I do not believe that The Department of Mines is in the entertainment business. And whereas it might have been a provision and quite a fiesta with wide publicity, including pictures of the Minister and so on, and a creation of a somewhat Robert Service atmosphere, including the shooting of Dan McGrew, I think that ought to be replaced, and this is the way I would replace it.

If The Department of Mines wants to take this province seriously—I think this province ought to be taken seriously—that is why I reject remarks like that of the Minister of Trade and Development that "you cannot eat independence." I take the country seriously.

If they think there is an ore-building potential north of Elliot Lake, then they can do one of two things which I would like to advocate. They can set up a Crown corporation such as the government of Quebec has done and start to exploit that area. If they do not like that, if that is too radical an innovation, the Minister appears not to like it, he did not show any enthusiasm for the precedent set by the government of Quebec; then the second alternative I advocate is that they approach someone or some group of companies. No matter how much idealism we give to the small prospector here, the facts of life will be that if there is ore in the ground, it will be exploited by people who have an accumulation of capital. And what is more important than the capital, of course, will be the know-how, the technology, in its development. If they approach one or more groups of people from the point of view that we will lease this area to you, provided that the people of Ontario get in on the action. And what is the action for the people of Ontario? Well, the economists can figure out an appropriate percentage of the net profits from the development, whether it be 10 per cent—I would hate to think it would be less than 10—15 per cent, 25 per cent, of the net profits.

It is about time we started to chart new paths in this province. And we had a return in direct fashion from the economic experience of development of ore bodies. I do not think that is too socialistic a creed to promote in the modern age. And I would certainly be all for some sort of partnership between the public and the private developers.

We will accord the private developers the privilege of putting up the cash and providing the know-how. But, after all, we are sacrificing a great deal too. We are giving them a piece of land that may turn out to have high ore-bearing potential, such as Texas Gulf. I assume that the geologists in the department, before this foolishness started at Elliot Lake, had looked at this piece of ground and had determined that its potential was high. If they did not, then the whole exercise was ludicrous. If they did not start from that premise that it was potential ore-bearing land.

But, as it turned out, it does not treat the resources of this country seriously. To get all the Metro press up there! I will bet they thought it was a great frolic, to go into the north. They got their hip rubber boots on, and the parkas, and I hope took very expensive whisky with them, and went up there. We have seen them over the years come up, people from Toronto like that. They think

it is a great venture. And then the Minister of Mines arrived on the scene! Well, you would think it was a re-enactment of the shooting of Dan McGrew, the whole business.

I looked at it with a good deal of horror because the government of Ontario is not in the entertainment business. It is in far more serious business than that. And I do not see that our interests were promoted at all with people racing around those northern woods in snowmobiles and helicopters trying to outdo each other in the staking of claims. And I want to put what I have said in the right of this fact, that after Texas Gulf discovered the Kidd Creek deposit, and we remember with a good deal of dismay the immense amount of staking that took place in the surrounding terrain to Texas Gulf. I think I am correct, and I will be hastily put straight if I am not, there was not one ore-producing property, not one other, ever emerged in that area other than the Texas Gulf find. It has got the one and only. They staked for miles around there, and the result was the biggest crap game in town, down here on Bay Street. The Toronto stock exchange is the name it goes under. It did a tremendous business as a result of that staking, and stocks skyrocketed to new highs and fell to the depressive lows. Fortunes were made and lost, but not one other ore-bearing piece of land, other than the Texas Gulf find, was found in the whole area.

Well, that demonstrates that all this activity, presided over by the Minister of Mines at Elliot Lake, and him being the chief major domo of the circus that went on, a lot of it was pointless. Because we know, living in the north, that they were out seeking moose pasture, a lot of them. The only benefit they get out of staking a lot of that ground would be the fresh air and the exercise that involved in going around and staking.

But, Mr. Chairman, they do not ever amount to anything and I have not heard, of course, that any potential mines are emerging from that. But I just asked the Minister to get away from frivolity and if this department feels it has some land that might be developed, then I ask that my suggestion, at least be considered. That it be put out on a profit sharing basis.

And it is a funny thing, of course, Mr. Chairman, that the government in Canada, that is considered to be farthest to the right on the political spectrum, the Social Credit government of Alberta, is the one that has adopted this scheme and developed it to its highest point in the oil bearing lands—that sea of oil that underlies the province of Alberta. And of course has carried on a joint profit partnership venture with developers that have come in there and the people of Alberta have benefited immensely from the royalties that pour into the public treasury because of the partnership. Now, if the Social Credit party can exploit that to a high development in Alberta, can it be so socialistic a notion to promote that we might do it in Ontario?

Mr. Chairman: Vote 1306?

The member for York South.

Mr. MacDonald: Mr. Chairman, I return to the question of ACR that I was going to raise earlier. I am a little curious as to what exactly the position is at the moment. My colleague from Thunder Bay asked a question, and the amount of money that was collected in mineral taxes was a very small amount. Now the situation, as I understand it, is that if land is held and a land tax is paid, then the mineral tax does not have to be paid; but if the licensee sells the surface rights then he becomes liable for mineral tax; and if he retains the mineral rights it becomes liable to the mineral tax.

Now inadvertently, back about 1952 or 1953, some clerk discovered that the ACR had been selling off the land. My recollection was of hundreds of thousands of acres during the years, back over decades, but they had never been paying any mineral taxes, and that the accumulated bill was in the range of some millions of dollars. When the matter was raised with the then Premier, Mr. Frost, he agreed to give them time to decide whether or not they wanted to retain the land and explore for mineral deposits, or return it to the Crown.

This was perhaps the most appropriate occasion for the use of that term, "in the fullness of time", because they were given no less than about 13 or 14 years before they made up their minds what, if anything, they would return. And they began to return, some two or three years ago, great townships, great areas. But my question to the Minister is how much of the land do they now hold? Second, how much of it are they paying land tax on? And third, how much have they sold of the surface rights and, therefore, are they liable for mineral tax?

Hon. A. F. Lawrence: Well, I can only tell you that my understanding is, because the records of our department do not show it, of course, that land tax is being paid on approximately 38 townships, something like that.

Mr. Stokes: That is 850,000 acres.

Hon. A. F. Lawrence: Well, the figure that sticks in my mind, somehow or other, is 38 townships. Now there has been no separation there, presumably, of the mineral rights from the surface rights, so that we are not getting anything as far as the tax rolls in our department are concerned, from those 38 townships. On the other hand there are a number of acres in which either there are mining activities being carried on, or there has been a separation of the mineral rights from the surface, or the lands have been granted as mining lands, or they are being held as mining lands, and on this there are approximately only 1,200 acres. So, as far as this department is concerned, there are, on the mining tax rolls in the name of Algoma Central, only 1,200 acres.

Mr. MacDonald: The Minister says that all of the land that was in the in-between category, being given time by the government to decide whether or not they were going to hand it back has been cleared up. Because when they started, about two or three years ago, and handed back about half a dozen townships, there was one announcement from your immediate predecessor of a handback of something like six or eight townships at a single time, and there was the rider that there were a few more townships that they were giving further consideration to. Now my point is, have they been handed back completely, or are a few of them still under consideration?

Hon. A. F. Lawrence: I am advised that they have been handed back.

Mr. Stokes: Mr. Chairman, am I to understand they do not, in fact, pay a mining tax on any of the remaining 800,000 acres? Could an individual go in there and stake it, if they do not hold the mining rights and do not in fact pay a mining tax? Could any individual go in there and stake on it?

Hon. A. F. Lawrence: I am told that Algoma Central received this in some form of special grant away back. Because they pay the provincial land tax, then they own both the surface and the mineral rights.

Mr. Stokes: Why do they not pay taxes?

Hon. A. F. Lawrence: Because they are paying land tax; they do not have to pay the mining tax if it is not being held for mining purposes.

Mr. MacDonald: That was part of the special Hepburn deal was it not?

Hon. A. F. Lawrence: I do not know the history of it. I am not trying to evade the question, I just do not know.

An hon. member: Say it was.

Hon. A. F. Lawrence: I will say it was, anyway.

Mr. Chairman: The member for Port Arthur.

Mr. Knight: In the course of my opening remarks, Mr. Chairman, to the Minister, I suggested among the incentives I thought should be offered to the prospector, a reduction in the fee for claims filing of the 18 claims filed, from $10 to $5. I suggested that if a prospector files for his maximum for the year, 90 claims, it would amount to about $900 which is an awful lot of money to be tied up. I do not think I received any reaction from the Minister for that idea. I wonder if he could give me a reaction to it now, and I have another question after I get his answer.

Hon. A. F. Lawrence: Well, there has been no great demand from the industry itself. I am told that this was not a recommendation of successive select committees. As far as I know, there had been no pressures brought to bear on the department to have this $10 fee reduced, and quite frankly in this day and age of inflation, it does not seem to me that it is an exorbitant amount for people to obtain exclusive rights to what we all agree is an asset belonging to the people.

Mr. Knight: The other question I would like to ask on behalf of the hon. member for Rainy River (Mr. T. P. Reid), who, I understand, is on his way here by train and had been expected about now. He has received reports of concern from people in his area that the Fort Frances recording office may be phased out. Now, I am given to understand that there has been no definite announcement from the department that they plan to do this, but the word is in the wind. Subsequently, on enquiring of some of my sources in the north, a prospector who is very interested in this sort of thing, and has been active in the executive of the northwestern Ontario prospectors association, told me that, indeed, everyone up there is concerned that this office may be closed, and to use his words: "There just is not any reason whatsoever why it should be closed. As a matter of fact, instead of closing it, the department should be spending more money and expanding it." What I would like to

know is what revenue was received through the Fort Frances recording office last year, as opposed to the cost of operation?

Hon. A. F. Lawrence: Well, if no reason has filtered through to this mythical citizen in Fort Frances, I can assure you that it is not my fault, because I have been up there, and we have scheduled a number of public meetings about it, and had town hall meetings in the old tradition about it, at which the Minister has been the target for all sorts of things. But I think that this is how it has got to operate.

Frankly, I would like to make sure of expansion needs in the department, because I want to make sure that I can convince my colleagues in the Cabinet, as well as the members of the House, and especially the members of the Treasury board and the Provincial Treasurer, so that when I go to them to ask for more money to be spent in this Department of Mines in the future, I can convince them that the Ontario taxpayer gets his buck's value for every tax buck paid.

Now we have a mining recorder's office here, which is by far the lowest in the amount of work done, claims registered and the amount of revenue produced. It is by far the lowest and I do not think that there is a member in this House that would try to claim that Fort Frances is a mining town. It is not, let us face it. Now, this whole situation arises out of a recommendation, again of the 1966 select committee report on mining, which indicated that there should be a consolidation of all the services of the department in various places. In other words, instead of having a geologist out this way, and the mining recorder down here, and the engineer out there, they should be brought together. In all cases, a mining recorder's office, and a geologist, if economically feasible, should be combined where somebody who requires the services of either of them should be able to find them. Now, by no stretch of the imagination as Minister of Mines, can I come to this Legislature and even attempt to convince you that we should put a resident geologist in Fort Frances. There is just not the work there for a resident geologist.

If we are going to tie the two together, then—as a tri-party committee has recommended—we have got to do one of two things. Either we have got to put a resident geologist in there—which means a lot of extra expense—or we have got to pull out the mining recorder. Now, as I say, the decision has not finally been made, and this is one of the things that I have got to buckle down to and make a decision as soon as the session is over.

Fort Frances, in 1966, had 1,186 claims registered. Let us take a look at some of the others. In the Porcupine office, 5,724; and in the Sudbury one, 5,610; in Sault Ste. Marie, 5,502; and in the Port Arthur office, 5,707. In 1966 in Fort Frances there were less than 1,200 claims. The mining recorder there, who is a very able and conscientious man who is required within the department for other duties if we can possibly pull him out of there, probably does not know what to do with himself half the time. There is just not enough work involved to keep the mining recorder and the one member of his staff there.

Now surely the economy of the Fort Frances area is not going to teeter on the edge of bankruptcy because we pull two civil servants out of there. The value of the claims in 1966 was $15,811.94 in the Fort Frances area. This compares with Red Lake at almost $80,000; Port Arthur $91,000; the Soo, $80,000; Sudbury, $85,000. There is just no comparison. As I say, I want to expand some of these services and make sure that this department, in the words of the member for Sudbury, is "where the action is." To convince my colleagues on the Treasury board that the services of The Department of Mines should be available where they are required, I really do not see how in all responsibility I can come to the House and to the Treasury board, and convince them of this when we have such a glaring example of a waste of taxpayers' money.

So, as I say, the decision has not been made yet. But it has got to be made, and it is something that I have been putting to the back of my mind. But Fort Frances is not the only one. There are others, and we are reviewing all of these offices, and their boundaries, and the function of their people. This is something that has got to be done, that is all. You ask me how much the costs were. The salaries in the Fort Frances recording office for 1967 were $11,920. There were miscellaneous expenses of $280, which makes a grand total of $12,200. The revenue for the last fiscal year was just under $13,000, so it was just barely breaking even. Included in this was no direct charge for the rent at all, as the recording office is in the courthouse. From an economic point of view, and just from a general use point of view, something has got to be done soon.

Mr. Knight: Well, from the Minister's remarks I would gather that the department has pretty well written the Fort Frances area off as a good mining area.

Hon. A. F. Lawrence: No, the record in the division would be transferred to Kenora, if the decision is made. I will be perfectly frank with you—I do not want to be the superintendent over a declining department either. It is against my grain to close any office anywhere in the department, and I am doing my darnedest to find other ways to utilize the space and staff. So far, to be frank, I have not come up with an answer. But by no means will it mean destroying the records, and closing the place up. All of the province has to be covered in a recording division somewhere, and the records have to be available.

It may be that the boundaries would be redrawn and part of the records would be available at the Lakehead office, and the balance at the Kenora office. But this is a decision that is not final. I have been up there, and pleaded with them to come up with suggestions. But all I get is this great fear that the office will close down. I really do not believe that it can be justified to leave it open.

Mr. Knight: Well, just one more question in this respect. Some of the people I spoke to were by phone. That is not specifically in my riding, but I did check into it a bit, and they tell me that you, or some representatives from your department were supposed to attend a meeting and they did not go. There was also some kind of a scheduled meeting with the representatives from the prospectors' association and a few others in the area and that they were quite disappointed that you did not meet with them.

Hon. A. F. Lawrence: Mr. Chairman, I have been doing a lot of travelling around, and we were not able to get into Manitouwadge last week because of fog conditions. But although we have been disappointed in one or two of the other places that we have tried to reach, the Lakehead has not been one of those. I got a very irate letter just last week from some guy in the Lakehead who was crabbing about the Fort Frances office being closed, and why in the world would I not appear at the Lakehead to gather the opinion of the local people about it.

Of course this is a good two months after I had already been up in Fort Frances canvassing them and speaking to them about it. In any event, I do not think a reply has gone out to that gentleman yet because I have been waiting for my temper to cool, but if that is what is being referred to why—

Mr. Sopha: One of the requirements of a Minister is to keep his cool.

Hon. A. F. Lawrence: Oh no, I do not agree with that at all.

Vote 1306 agreed to.

On vote 1307:

Mr. Stokes: Mr. Chairman, on vote 1307 on mining access roads. A short while ago a news release appeared in the paper where some $400,000 was being spent in access roads in northern Ontario. One was an extension to Highway 808 from a point some 52 miles north of central Patricia for a distance of—I think it was something like 9 miles. The contract was in the neighbourhood of $200,000. The other one was an extension to—I believe it was Highway 125 from Balmertown, representing another 12 miles and an expenditure of close to $200,000. I understand the Minister, Mr. Chairman, is the chairman of the access roads committee. I was just wondering, how do you determine where the access roads are going to be built? What kind of an overall plan do you have for opening up the north?

Now I do not object to access roads. As a matter of fact, I have been advocating more of them. But I was just wondering what kind of an overall programme you have in your interdepartmental committee? I understand there are four or five Cabinet Ministers involved in this. What kind of an overall plan have you? What kind of a yardstick do you use?

I have one other question I would like to ask you in connection with access roads. They are not really access roads, but I understand as a result of Bill 118 you will be taking over forest roads which I hope would include access to mining sites, and I would just like to get the Minister to confirm those two things.

Hon. A. F. Lawrence: Well, the whole concept of this thing is just in the process of being changed. We are not even going to call it a mining access roads committee, from now on it is going to be roads to resources. We are trying to fill a gap which—

Mr. Sopha: Who is that—Diefenbaker?

Hon. A. F. Lawrence: That is right. We are trying to fill a gap caused when the federal government just pulled the rug out from under all the provincial governments a couple of years ago with no advance warning at all. This left provincial governments right across the country holding the darn bag, but in any event the situation here simply is this: The Minister of Mines is the chairman of the committee attempting to co-ordinate all of these resource roads in the north. Whether they be for mining purposes, for tourist purposes, for forestry purposes, timber access roads, or whatnot, we are trying to co-ordinate all of these in the hands of a Cabinet committee and the Cabinet committee is named the northern Ontario roads to resources committee.

Again we are groping with the terms of reference. It may be that we will include in here a very close liaison with The Department of Transport respecting the new air strip programme. I also want to bring in the Hydro because they do build an awful lot of roads in the north too. But for the first time out of this, I hope, will come a co-ordinated building programme for these resource roads right through the north.

I just wish we had a reflector here to show a map of northern Ontario—this is an exciting thing; this thing is going to go up from both sides, from Pickle Crow on the one side and from Red Lake on the other, right up to Lingman Lake. It should open up that whole northwest—and when I talk about the northwest in this concept I am not talking about Fort Frances and Rainy River and whatnot, this is the real northwest, far north of Big Trout.

Mr. MacDonald: What is the timetable?

Hon. A. F. Lawrence: The timetable is something again that we are having a look at. I am not satisfied that we are doing enough on this. On the Pickle Crow side we are about 68 miles north of Pickle Crow; we are ten miles north of Red Lake at Balmertown, or we will be this fall on the one side, but this is really something.

Mr. MacDonald: What is the gap?

Hon. A. F. Lawrence: Two hundred and sixty-five miles. There are untold mineral resources up there. We were talking about iron ore before. There are two of the largest low-grade iron ore developments in Ontario lying up there to be tapped.

Mr. Stokes: Are you going to attempt to include the Indian reservations that would have easy access to the outside—

Hon. A. F. Lawrence: Anything that is there we will try to connect it, but this is something else too. For the first time the geological branch of The Department of Mines has been involved in this thing and to cut costs we are heading for moraine land and gravel deposits and whatnot, and we are trying to get away from expensive rock cuts. This is not going to produce the best road in the world, but again we feel we are going to get a buck's value for any buck spent on it.

Mr. MacDonald: Ten years from now The Department of Highways will rebuild them anyway.

Hon. A. F. Lawrence: You are quite right, probably so, and let us hope so; but at least the purpose of this is to open up an area. We are not sure what is there, but the requirements that we have are now studies from each of the departments involved.

We have a study of the general economic needs of the area from the provincial economist; we have a report from The Department of Mines; we have a report from The Department of Lands and Forests; we have a report from The Department of Tourism and Information; and as I say once we get the thing rolling I hope we will have very close liaison with The Department of Transport and Hydro as well, so that it is a pretty co-ordinated thing and I hope it is going to work.

Mr. Chairman: The member for Cochrane South.

Mr. Ferrier: Mr. Chairman, I wonder if I could ask the Minister if there is any money in this vote allotted to bridging the Smooth Rock Falls and Timmins area? Is there any money allotted for that?

Hon. A. F. Lawrence: No.

Vote 1307 agreed to.

Mr. Chairman: This completes the estimates for The Department of Mines.

It being 6:00 of the clock, p.m., the House took recess.

APPENDIX

(See Page 5867)

FATALITIES

Period	All Ontario Mines, Metallurgical Works, Quarries, Clay, Sand and Gravel Pits and Diamond Drillers			International Nickel (Sudbury and Port Colborne)		
	*Fatal Injuries	*Number Employed	Rate per 1,000	Fatal Injuries	Number Employed	Rate per 1,000
1963	25	46,562	0.54	6	15,200	0.39
1964	28	47,309	0.59	2	17,178	0.12
1965	26	48,979	0.53	4	19,477	0.21
1966	31	49,901	0.62	7	19,891	0.35
1967	26	50,701	0.51	4	20,203	0.20
Average 1958-1967	33.2	51,905	0.64	3.5	18,295	0.19

*Source: Department of Mines Inspection Branch Annual Report

WORKMEN'S COMPENSATION BOARD

RATES PER $100 OF PAYROLL

	1968	1967	1966	1965	1964
Gold Mining	7.00	7.00	6.00	4.50	4.50
Uranium Mining	5.00	5.00	5.00	10.00	10.00
Nickel Mining	1.60	1.70	1.75	1.75	1.90
All Other Mining	4.00	3.00	2.50	2.50	2.50
Logging	5.75	6.00	6.00	5.25	5.25
Sawmills	3.25	3.50	3.10	3.10	3.25
Foundries	3.25	3.25	3.25	3.25	3.25
Automobile	.60	.60	.55	.40	.45
Construction	3.00	3.25	3.50	3.50	3.75

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Evening Session

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Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, JULY 17, 1968

The House resumed at 8 o'clock, p.m.

ESTIMATES, DEPARTMENT OF CIVIL SERVICE

Hon. C. S. MacNaughton (Provincial Treasurer): Well, Mr. Chairman, in keeping with the time and the temperature—very brief remarks: This year marks the 50th anniversary of the establishment of a civil service commission in Ontario. The occasion draws attention to the success of this jurisdiction, during the 12 administrations of the past half-century, in developing a progressive employment programme for the public service of Ontario.

The years since the establishment of the commission, which recommends our personnel policies, have seen far-reaching changes, not only in conditions of government employment but also in the way of life for the people of this province. The active and enlarging role of The Department of Civil Service, which ensures the application of the merit principle in employment and the well-being of all members of the public service, reflects directly the rising level of activity and service of government in general.

Every government jurisdiction now recognizes that the process of public administration has reached a degree of complexity requiring the employment of highly skilled and exceptionally motivated body of men and women. Improved management must be applied in carrying out the many activities of the government if the people of this province are to receive, with efficiency and economy, the benefits provided by this Legislature.

The public service of Ontario must attract and retain well-qualified personnel. It must provide the opportunity and atmosphere for legitimate career aspirations. It must maintain a just and equitable system of rewards. The government is in competition, in every sense, with private industry for the cream of the crop in virtually every specialty and skill to ensure that the programmes and policies of this Legislature are administered effectively. These estimates must be viewed in that perspective.

Among the new developments in the department is the establishment of a programme of French language training in recognition of the government's desire to implement recommendations of the first volume of the report of the Royal commission on bilingualism and biculturism.

I am pleased to report to the committee that French language training is now available to senior personnel in the public service, as well as those in local offices, where there is regular contact with French-speaking citizens seeking government services.

Many of the members, Mr. Chairman, will be aware of the progress of French language instruction for the legislators of this House, which is part of our bilingual programme. They have taken advantage of this service and can evaluate it from personal experience. I can assure the members that a continuation of the present courses will be offered when the next session of this Legislature is held. In addition, the department is canvassing members on the feasibility of an immersion-type programme at some suitable time between sessions perhaps in the coming fall.

Another successful innovation has been the introduction of a temporary help agency to provide for short-term and casual employment. This temporary help programme creates a pool of potential permanent employees to fill vacancies as they arise. Temporary help personnel are required to meet the standards of the civil service and, when the opportunity develops, they can step directly into permanent positions.

Among other highlights of the department's efforts to improve its service to the government and to the public service are several organizational changes. The former personnel research branch has been amalgamated with staff development to bring these two services into closer relationship under a single director. The administrative services branch has been reduced in numbers with the establishment of a management information service which is the nerve centre for data on all personnel in the public service.

The increase in size and complexity of the public service is reflected throughout the department, whose operations I will review

briefly for the committee. The pay and classification standards branch carries out continuous studies toward ensuring equal pay for equal work in all departments and rates of remuneration comparable to those provided in the community. It must plan future requirements and study new developments in the field of job evaluation.

The demands upon its pay research activities, which provide comprehensive salary recommendations to both the Treasury board and the civil service commission, continue to escalate in both volume and quality.

The recruitment branch faces major pressures in attracting the special skills required for more sophisticated government operations. It must and does maintain a productive contact with universities, community colleges and secondary school systems to secure a continuous flow of graduates from these institutions for the public service. At the same time, the government recognizes the value of stability and experience by hiring a significant percentage of mature people with proven ability.

These activities require a constant approach to the public through institutional advertising, special publications for graduates and the specific position advertising which appears in the newspapers from day to day.

The staff development and research branch also helps to develop the personnel resources required by government through its training programmes. We are now in a position to compete with other major employers in offering the opportunities and facilities for job training and career development. Employees can upgrade their qualifications through in-service courses, or at universities and other post-secondary institutions for which bursaries are provided. This branch also develops and operates special courses directed toward specific fields such as systems and procedures or data processing. The senior officers' courses continue to be quite effective and attract participants from many other Canadian jurisdictions.

By incorporating personnel research into this area, we can assess the value of different types of training in terms of improved performance. This unit continues its psychological research into personnel management to assist in the identification of problems in morale, turnover, work output and interpersonal relations. It is instrumental in developing techniques for assessing qualifications of employment and it contributes substantially toward the continuous examination of the validity of position qualifications.

The administrative services branch now provides both the housekeeping facilities for the department and the elaborate filing system required for adequate personnel records of the entire public service. The staff has established an excellent record for speed and accuracy in processing and certifying for the commission all personnel transactions, which currently average about 2,500 a week.

The management information service logs all personnel transactions through data processing equipment to furnish management with vital information on employment and staffing trends, career histories, turnover statistics and other relevant data. This small section has established an effective relationship with the large-scale computer operations of The Department of Highways in the interests of avoiding duplication of facilities and staff.

The planning and audit branch has received many favourable reports from departmental management in its efforts to improve utilization of personnel resources and to ensure application of personnel policies. Its documented recommendations have led to significant improvements in organization, staffing and procedure. The audit group, established as a separate branch last year, is now fully functional and has conducted outside audits across the province where the statutory functions of the commission must be delegated to local departmental authorities.

The Ontario joint council, civil service arbitration board and grievance board render outstanding service to the people of Ontario in assuring just conditions of employment in the public service. While the government must maintain equitable pay and employment standards, it must also guard against inflationary settlements which could be detrimental to the provincial economy. We are fortunate in Ontario that employment negotiations are resolved fairly and realistically.

It is gratifying to me to announce that the publications branch recently won recognition from the association of industrial editors of Canada by placing second in a nation-wide competition for excellence in personnel publications. *Topic* magazine and *Topic Bulletin* keep our employees informed of government activities in general, and on specific developments in personnel policy and practice. In addition, the branch prepares a number of other publications pertinent to the work of the department, as well as the brochures required for recruitment and staff development activities.

The employee services branch, as I explained last year, is a comparatively new venture directed to the assistance of personnel who develop behavioural problems, particularly in the field of alcoholism. I must acknowledge the considerable help that has been provided in this field by the advisory committee which includes representatives from the alcoholism and drug addiction foundation, The Ontario Department of Health, the civil service association of Ontario and senior officers from a number of departments.

Mr. Chairman, this is a very cursory review of the various programmes which come under the responsibility of the civil service commission and The Department of Civil Service. A much more comprehensive outline is available in the annual report of the department, which was tabled this week and has been distributed to the hon. members. It provides a significant statistical breakdown on the public service which will assist the members in assessing the personnel policies of the Ontario government as they are administered by this commission and this department.

Mr. H. Edighoffer (Perth): Mr. Chairman, I am happy to have been given this opportunity to make a few comments on The Department of Civil Service. As a new member, I am of course very happy to be able to comment on this, its 50th anniversary.

Also, I might add that as my riding is next door to the riding of the Provincial Treasurer, I feel that I am a neighbour to the man responsible for this department, and I welcome this opportunity to try to keep track of my neighbour.

Having been involved in a small private business for some years, I feel it has some usefulness when discussing this department, which is the largest employer in Ontario, because private business, no matter what size, when it is free and competitive, has features that promote efficiency and reduce waste. But government operations often achieve quite the opposite because there is no profit motive involved in the operation of governments; they frequently lose sight of the efficient operation.

As this is my first year in the House, I was very anxious to see the 1967 civil service report. I have been checking for the last month to see if it had been completed, and I found that it was, but that it could not be distributed until it was tabled in the House. I wonder why the Minister could not have approved its distribution before yesterday, and I would appreciate hearing the reason sometime during the estimates.

Mr. Chairman, the time for a further review of the operation of the Ontario civil service is surely upon us. Today, the rapid pace of change is such that recommendations made only a few years ago are invalid. I am thinking particularly of the increasing use of the computer for cost/benefit analysis and planning/programming/budgeting systems. We are going to be forced into the closest cooperation with the federal government in many areas.

It is clear from recent conferences, such as the Minister's information systems committee conference at the Constellation hotel on May 28 and 29 that everyone is most anxious to start off on the right foot, and to bring in systems that are in every way compatible with each other.

It seems to be essential, in this new climate, for a regular course of professional updating to be provided for all members of the civil service. It is no longer possible for a person to expect to be appointed, at an early age, and to proceed through the service, as a career civil servant, without continuously refreshing, not only his knowledge of his immediate responsibilities and how they are being handled in other jurisdictions, but also his whole approach to the business of being a civil servant, his relationship with the public, accepted limitations on his freedom to initiate policy, to make statements to the press and so on.

All these things have changed over the years, and in this session we have seen more than one Deputy Minister making policy "on the spot" as it were, in a press conference. I am not suggesting that all these changes are bad, but I sometimes feel that we must constantly remind those who support our efforts that it is the elected representatives of the people who make policy, and they who are charged with implementing it.

Because I attach so much importance to the *esprit de corps* of the regular civil servant, I find myself questioning very seriously the wisdom of the government in placing so much reliance on temporary help services. I can appreciate that there will be occasions when work "peaks" for short periods, and in these circumstances it would be unwise to retain a larger staff than is necessary for several months of slack work, and to get into all the ramifications of insurance and pension problems.

But it is one thing to use manpower and overload services in this way and quite another to develop a pattern of increasing and regular reliance on such agencies. In effect, we could be seeing an irresponsible echelon

within the regular framework of the responsible service. And we are seeing scores of thousands of dollars of public funds being funnelled into this lucrative private field.

The abuse of temporary help occurs in other ways, as the member for Parkdale (Mr. Trotter) pointed out earlier this year when The Highways Department estimates were under discussion. People have been hired for temporary road work season after season for a lengthy time without benefit of pension rights or security of any kind. This particular system further lends itself to political favouritism and patronage of the worst kind, and we want to see it ended. It represents nothing less than feudalism surviving into this modern age.

Now, Mr. Chairman, returning to regular hiring, collective bargaining has placed an increased emphasis on good pay research and a sound classification plan. Such a plan must not be rigid. It must be so flexible, in fact, that job descriptions can be revised and updated to keep pace with the changing nature of work, without a major upheaval.

Two years ago, I noted, the then Treasurer, the hon. J. N. Allan, said, and I quote from *Hansard*, June 2, 1966, page 4233:

> The province leads in supporting and implementing progressive personnel policies, such as educational leave programmes, rights in regard to political activity under The Public Service Act, and grievance procedures with outside arbitration. Perhaps the most important feature, which has a direct effect on administration, is the arrangement for collective bargaining under the statute. In the last two years, all matters respecting working conditions and terms of employment for persons in the bargaining unit have been negotiated. On only three occasions has there been resort to arbitration and one which pertained to a small group.

And a little later the Minister said:

> In the past, I have been asked about the policies of the government in regard to bargaining procedures for outside boards and commissions. It is our intention to bring in legislation to provide for such procedures whenever a majority of employees are represented by the civil service association of Ontario. I know that the hon. members of the House will wish to give full support to such amendment of The Public Service Act. This will demonstrate the government's willingness to deal with its employees directly and to be represented at the bargaining table.

Nevertheless, two years later, it is possible to do better on welfare than it is by doing an honest day's work mowing the lawns and sweeping out the washrooms of Queen's Park. The CSAO is not among those who are pleased with the way things are going. A total of 38,000 government employees have placed their future in the hands of an arbitration board, and, incredibly, they represent not a few small groups, as in 1966, but 669 classes of jobs, all before arbitration at the same time. This, I think, is a ridiculous way to engage in collective bargaining procedures. According to CSAO general manager, Harold Bowen, in his release of June 13:

> Negotiations and mediation have been futile. Government offers were so ridiculously low that they could have no possible basis, and, in the view of the association, were indicative of poor faith.

Because of the across-the-board nature of the negotiations, people involved had jobs as widely varying as:

Highway maintenance; construction inspection; treatment and rehabilitation of mental patients and prison inmates; investigations of security; the planning of future services for the public; and Ontario's labour relations services.

The association says:

> Many of these jobs form the very basis of the efficiency of the government's operations. Yet the initial offers of government had ranged from as low as two per cent for a one-year contract.

Included in the dispute were the draftsmen and related classes which were the subject of a special study ordered by the arbitration board arising out of the 1966 pay dispute. Although the study was extensive, taking over a year to complete, the government ignored its guidance and the obvious intent of the arbitration board to see fair play in this specialized area.

In general, CSAO was forced into arbitration against the underlying desire of its membership, which entered into this stage with what the press release calls simply "disgust." They had hoped to bargain in good faith with the government, but that good faith had been completely lacking. This from a government which had, only two years previously, trumpeted its progressive collective bargaining arrangements. No wonder, late at night in the corridors and basements of Queen's Park, one hears the ironic laughter of men who know they have been betrayed.

What a confused labour picture—50,000 workers, of whom about 10,000 are temporary, with nothing to go on but the whim of their superiors, who are sometimes politically motivated. A bundle of retroactive promises that have been delayed in their implementation! Have we yet had action, for instance, on the Provincial Treasurer's statement of May 8, in this House, regarding agreement with certain classes, which was supposed to be

retroactive to October 1, 1967? And I note that for the 38,000 in 669 categories now in arbitration, increases will be retroactive to January 1, 1968.

And what about the Minister of Labour's (Mr. Bales), speech in Ottawa in January? Of course, we need studies all the time to promote the efficiency of the service, but, while many of these may be at departmental level, surely they must all be initially directed, and continually supervised, from the top—and that means by the Provincial Treasurer. Furthermore, I feel that, in the interests of efficiency, we need our own Glassco commission here, even if we also have internal organization and methods studies.

What about the family information service provided by Benefacts Ltd.? Who are these people? What is their background? What was the contract price for this service? Why could this kind of routine job not be done internally? Is it really needed? Is there not the idea of prying coming into this again? Many people I know did not fill out the card, saying, "It is none of their business." Now there is uneasiness that this information, ostensibly gathered for the purpose of helping people learn just what benefits they are entitled to, might be used for other purposes, such as evaluation for upgrading and so on.

As for the now-famous relationship between Mr. Colin Brown and the Ontario government —a love-affair which blossoms out periodically into a full-page advertisement, especially at election times—why did the government complete a contract with London Life and other companies in October, 1965, when it was known that OMSIP would be in operation in 1966?

OMSIP cushions the private insurance companies to make their profit on favoured risks like civil servants, while leaving the hard-core risks to the public purse. One of the reasons OMSIP costs more than it should is that the best risks are all siphoned off to private interests. By handing the civil service to London Life on a plate, the government makes sure that Colin Brown does well, even as it makes sure that the people of Ontario pay a good deal more than they would otherwise have to.

When the London Life contract runs out in October, 1968, will the government be changing its policy, so as to bring civil servants into OMSIP and thus move the centre of gravity of OMSIP back closer to where it should be? Or will the Premier (Mr. Robarts), still continue to favour his friends?

The general increase in the estimates of the civil service is approximately $628,000. Approximately half of this is for the setting up of a French-language course for civil servants which, of course, we all favour. But surely, there ought to be at least a similar amount shown for courses in technological advance? The world is not standing still and the civil service should be ahead of the game.

The business of grasping just what a total information system implies is every bit as big a job as the learning of a second language, and it should be provided for accordingly. In addition, there ought to be further substantial sums set aside for what, for want of a better term, I would call "futures research" into what will be expected of the civil service two, five, ten and 32 years from now. We ought to have—and again, please excuse the jargon of the Hudson institute—"a surprise-free analysis" of the job the civil servant of each of several categories will be doing in time to come. The techniques for doing this kind of thing have now been so refined that accurate results, with alternatives of course, can be postulated.

The Ontario civil service is moving into a new phase of its life, and we owe it to the fine men and women who make up the staffs of the various departments to play fair by all while watching the interests of the taxpayers of Ontario.

Mr. C. G. Pilkey (Oshawa): Mr. Chairman, approximately two weeks ago, the leader of my party asked me to make the opening remarks on the civil service estimates. I want to say that my two weeks of research work has been rather amazing, in terms of this department. I want to say, at the outset, that I have nothing against the employees of the civil service. I think that they are doing a good job within the framework of poor and inadequate wages.

Hon. A. Grossman (Minister of Correctional Services): Well, that balances you nicely on both sides.

Mr. J. E. Stokes (Thunder Bay): That is no reflection on the civil service.

Mr. Pilkey: The "Queen's Park report," by Mr. Don O'Hearn, in the Oshawa *Times* of yesterday made some comment on this. He said:

> The CSAO now is well established, and one gets the impression that most civil servants are well satisfied with it. There

> have been very substantial gains in wages and conditions in the civil service; due largely to its efforts it has brought about these gains in a responsible manner, without strikes and hysterics.

I would hope that Mr. O'Hearn did not think that the two, strikes and hysterics, are synonomous. I would hope that you could have hysterics without strikes, and strikes without hysterics. But nevertheless, he puts this on a rather synonomous basis.

Just for a moment, I would like to relate some of these wages that Mr. O'Hearn talks about. Before I do, I would like to quote again for a moment from the document headed the Civil Service Commission of Ontario, the annual report for 1967. It says:

> In the fall of 1967, a special institutional campaign was adopted to create a favourable climate for the recruitment into the Ontario public service, and to stress the idea that the Ontario government is a good employer. Posters using an animal theme with modern message were used in subways, buses and streetcars to promote the Ontario public service.

And I want to say, if the wages of the employees of the civil service are symbolic with animals, they are not getting too much hay. If that is what it is symbolic with.

Now, let me point out that, first of all, if this schedule is not up-to-date—I would hope that the Minister would correct me. I want to point out that the wages are not conducive to the wages that are being paid in industry, they are not. I notice that the Minister, when he was making his remarks, said that they were in competition with private industry for professional and skilled help. I did not hear him say too much about the unskilled labour and what they were competing with. They are not paying them the wages that private industry are getting in this province, and they are not even coming close.

Now, the salary range for the agricultural assistant—ranging from $3,750 to $4,400. I would like to know who can live on that kind of a wage—$3.750 to $4,400. If things were so good, I do not know what those pickets were doing in front of this Legislature today. I went out there and I talked to two of the fellows that were in that picket line. Let me tell you what they were getting in terms of take-home pay. One fellow, who had spent 18 years in the service of this government, was taking home $125 every two weeks. Another chap I talked with is taking home $134 in two weeks, and has to support a family of three children in addition to his wife.

I ask anyone sitting in this Legislature, would it be possible to support a family with a decent or any kind of a standard of living, and put a roof over their head, on those kind of wages?

This whole wage schedule is full of these types of classifications—building caretaker, the building cleaners, the building cleaner and his helper—most of them getting less than $2 per hour. And if they are getting $2, they are getting just a little over $2.06 an hour. As a matter of fact, I was just going over the book here, and the chauffeur attendant for the Prime Minister—I hope that on the wages you are paying him you are buying him the odd meal—when you are out with these chauffeurs. I hope you are buying him the odd meal, because these fellows are not going to be able to spend too much on food on the basis of the wages that this province is paying them. And your clerical people, stenographers—the clerical stenographers get a very, very insignificant wage. Your conservation people—and I can go on and on. Your skilled people—draftsmen, cooks—all of them get nowhere near the going rates in industry here in the province of Ontario. So I will have to disagree with the remarks made by Mr. O'Hearn that everything is fine, and everything is rosy. I am going to point out in a moment that things just are not as good as some people would believe. I might point out and just put into the record a statement, an article put out by the Toronto branch of the CSAO. Let us just find out what they are saying here in the Toronto branch. I understand that this is the largest branch in the province of Ontario, right here in Toronto. Let us find out what they are saying.

This was a general meeting of the Toronto branch on May 27, 1968, which was not so very long ago.

> There were criticisms levelled at ourselves regarding the Whitby situation. It was stated that the breakaway in Whitby was a *fait accompli*. No rebellion should be condemned. Let us be honest with ourselves. The executive did not fulfill their obligation to the members; instead of condemning them, let us try to correct this. If we are honest with ourselves, and try to find out where we failed, then we can succeed. Perhaps they had courage. Perhaps they will be more successful than we are today. The association's negotiations are outdated. Let us talk about

something beneficial to ourselves. The association has never threatened the government. It was also brought up that the association comprises members who do what the association says. The association is a membership and if the members do not do something, nothing will be done. It was then stated that we probably do not realize the potential power we possess as a group. Government knows we cannot act collectively. Let us get organized and show the government what we mean. Everyone else gets a good portion outside of government. They get 16 per cent to 25 per cent. We get 4 per cent, 3 per cent, 2 per cent. Let us do something constructive. We are being exploited if we accept this. It is our own fault. We are at a standstill. The association cannot negotiate one agreement in six months. It takes them two years to negotiate one arbitration. People are becoming disgusted. Strike is illegal.

Now they pass the following motion, and this is the key as far as I am concerned.

> Be it resolved that the resolutions committee be instructed to submit a motion through the Toronto branch No. 1 to the board of directors of the civil service association of Ontario incorporated to seek necessary changes in legislation to amend The Public Service Act, also to seek certification under The Labour Relations Act for all civil servants in Ontario.

I want to say that in terms of my research —and this is where I have been looking into this Public Service Act—I want to submit, Mr. Chairman, that the only way that the civil servants in this province are going to make any meaningful progress is to have this Public Service Act amended.

In the Act the government gives the civil service association of Ontario sole jurisdiction over the employees. Only in one place, though, can I find the civil service association of Ontario mentioned; it was on page 9 in section 90 1 (b), and it says that the civil service association of Ontario is appointed by the Lieutenant-Governor in council. It tells how they set up a joint council. As I understand it, this joint council are the people that do the negotiating for the civil service. Maybe they are a good organization, but by the same token, how do they get sole jurisdiction in terms of collective bargaining for the employees of this province? By legislation.

Do they not get a freedom of choice on whom they want to represent them? Apparently they do not. I wonder where my good friend from Eglinton (Mr. Reilly) is? He seems to have a lot to say about the free choice of employees inside trade unions. Why, he should be standing on his feet screaming to the high heavens about this kind of legislation. But he sits very silently about this. He sits very silently about this situation, and lets this situation carry on.

Apparently they do not need to get 50 per cent of the total of the people; they do not have to come under The Labour Relations Act to get certification under section 5—the establishment of the bargaining rights by certification. It goes on to say what we have to do to be certified as a bargaining agent. As a matter of fact it even goes beyond that. It goes on to say in The Labour Relations Act on page 23 what you have to do to terminate the bargaining unit. At least you have that right. You have the right to be certified if you can get 50 per cent, plus one, and if the employers want control of the organization, they just need to get 50 per cent plus one and they can terminate. And these are the rights for the trade union movement here in the province of Ontario. But it seems to me that the employees of this province are denied this right. They are legislated right into an association. Oh, they do not have to join if they do not want to. They have a card and it says that they authorize the Provincial Treasurer to deduct dues, but they can revoke this—and I am not too sure about that. Apparently there are some people who have revoked their membership in this organization and their dues are still being deducted. I would hope that the Minister would take a look at that situation, and see that these people are refunded their money, because they revoked their membership from the association. I have no brief for the CSAO or the new organization. They were out here today, the united government workers of Ontario.

Now, let us just assume for a moment that the united government workers of Ontario get a majority. Is the Minister prepared to give them recognition? How do they get recognition? I mean, we have The Labour Relations Act for everyone else, but how does any other organization get recognition amongst the employees of this civil service? I think that this is a very important point, a very important point, that if the majority—or if there is a group of employees who do not want to belong to the civil service organization, then they ought to have the right to make a determination and be recognized and do their bargaining through another agent. But apparently this is not happening today.

As a matter of fact, let me say that, under the present legislation, if the CSAO only had 10 per cent of the membership of the civil service of this province, they would still be recognized as the sole bargaining agent for these people. At least that is what I understand. Yet you have set some precedents in the province. And let me say, too, in this regard I notice under the grievance procedure, and the definition of an employee association, it says, "An employee association means the duly constituted association of persons in the public service which has for one of its purposes the representation of public servants in matters relating to employment and to which the majority of the public servants belong".

Now does this mean that if the majority of the public servants joined another organization they would be recognized under this section? I recognize it is headed grievance procedure, but would we have one organization handling the grievances and another organization handling the collective bargaining? Is this what this means? I would like the Minister to answer that question later on. I want to say again that I think the civil servants of this province ought to have the opportunity to make their determinations as far as their agents are concerned.

I also want to say that some of the other things that are related in The Public Service Act and on page 10 in article 3—I guess it is 19, 3, yes—it goes on to say, every decision of the civil service arbitration board shall be signed by the chairman and he shall transmit to the chairman of the joint council who shall forthwith transmit it to the appropriate authority to be implemented.

First of all, I would like to know if this is a final and binding proposition; not only in terms of salaries, but in terms of working conditions.

I understand that after this arbitration board has reported the working conditions are then transferred to the regulations. While drafting this legislation, it appears to me that the intent could be lost, and it seems to me that the government now has sole jurisdiction over the drafting of the regulations, and the intent could be lost. If I was the association I would be very fearful of that kind of a regulation in the Act. Because, as I say, the intent could very well be lost as far as the final and binding arbitration is concerned.

Now, I also would like to ask a question in regard to this Act that rather bothered me. On page 43, in terms or dismissals, it says: "the determination by the board of a grievance under section 29 is final"—but they did not put a period there; they said "subject to the authority of the Lieutenant-Governor in council." But on the following pages—again on the question of grievances—it says: "the determination of a grievance by the board, under section 39 is final." (period). It goes on to say, in section 42 in the classification rating: "the decision of a classification rating committee is final."

Now why was the period not put there—in terms of someone being dismissed and reinstated through the procedure, and then could be upset by subject of the authority of the Lieutenant-Governor in council? And so, I ask the Minister that question as well. I also want to say that there are some precedents in The Public Service Act—

Hon. Mr. MacNaughton: I would stress to the hon. member that I am doing my best to keep track but it would be much more appropriate, and I would say helpful, to me if you would ask these questions under the appropriate votes, if that is not presuming too much, Mr. Chairman.

Mr. Chairman: Well I believe the member for Oshawa is what is known—

Mr. Pilkey: I have got them catalogued. The ones I do not get an answer to, I will be back?

Mr. Chairman: That would be a good idea, if he would perhaps keep a record of them.

Mr. D. C. MacDonald (York South): After all, he has bargained with General Motors for a few years.

Mr. Pilkey: All right.

I want to say that there are some precedents being set, or there have been precedents set by this government, and in the booklet —if we could refer back to the booklet again —on page 38 it says: "these arrangements were extended last year to include the employees of the Niagara parks commission, the Ontario hospital service commission, and the Ontario water resources commission."

Now this is the point that I want to make. Parallel arrangements for negotiations are available to the uniformed staff of the Ontario Provincial Police and to the employees of the liquor licence and liquor control board. In other words, they have separate negotiations as I follow it. They have separate negotiations with a separate committee, and not the joint council; they do not negotiate

through the joint council. And so there are now precedents and have been precedents set in this province for negotiations for civil servants, who are public servants, outside the purview of the joint council.

You also mention that it is in The Ontario Public Service Act and in the regulations; and they are talking about the liquor licence board of Ontario and the Ontario Provincial Police, and that will be found on page 49 of that document. So that obviously these employees are covered under The Crown Agency's Act, but nevertheless, they are covered differently than the rest of the employees. Again I would like to ask the Minister what covers their bargaining regulations? I could not find that—that they had any regulations. I could find them for the civil servants but I could not really find them for the people in the liquor licence board of Ontario and the Ontario Provincial Police. I suspect very strongly there are regulations but I could not find them.

I also want to point out to the Minister that he has, as I understand it, set up for the civil service of this province a co-ordination of employer-employee meetings at the departmental and local level. I have a document here that outlines the—I guess you would call it terms of reference or the rules that are set down. I understand it is working in the department of the Minister of Correctional Services very well, that is what the document said—

Hon. Mr. Grossman: Everything in my department works very well.

Mr. Pilkey: —The Department of Health and one other department, and this is working. Obviously I have not talked to any of the employees so I have to take the word of the document that it is working.

Hon. Mr. Grossman: The member can ask me; it is working.

Mr. Pilkey: But really, as I read the document, it is rather meaningless. You are holding all the cards with this document, make no mistake about that. The employees are not holding too many of those tickets, you have them all. And let me just point out some of the things that it says:

> It is recommended that management maintain firm control over the time, agenda and frequency of meetings.

You know, you are holding most of the aces on that one. You will determine the time, you will even determine what is going to be on the agenda, and you will determine the frequency of the meetings.

Hon. Mr. Grossman: That is out of context.

Mr. Pilkey: I see, it is out of context, but that is what it says. And it goes on to say:

> Management should reserve the right to reject a request for a meeting if it appears that the subject proposed is not properly an item for consideration at that level.

You have some more cards there. All you have to say is, "Well, sorry fellows, we would like to meet but really that item could not be considered at this level, and we reject it"—even though the employees want to put it on the agenda and they think it is right. Under the terms of this document, they think it is right, but the government has the right to say, "No, we are not going to have that on the agenda".

Then it goes on to say, in general—section 4 of The Public Service Act sets out the areas which are entirely within the prerogative of management and not subject to negotiation under any circumstances.

So you take that list of rights and you write it in the document too and in no way can the employees negotiate through this document on a departmental basis. I would think that if the employees of the civil service could read that document and really peruse it, all the employees with a little understanding would find out that they were rather short-changed as far as that document is concerned.

I also want to know, Mr. Chairman, through you to the Minister, it is my understanding that really there has been no meaningful negotiation that takes place with the Ontario joint council. They come together only to refer the unsettled items in dispute to arbitration; that is all they do. I would like to know if this is a fact or not. This is my understanding, that really the joint council does not work—that all they do is come together and refer the unsettled items to the joint council.

If you say they are meeting, I would like to know from the Minister what has been settled recently at the joint council level in terms of collective bargaining? What have they done in settlements, without going to arbitration? I also want to say that it has been my understanding that, when agreements are settled, there is no really significant ratification of agreement.

I think this is wrong, I think that the employees should come together and have an

opportunity to hear what the settlements are and have a semblance of ratification.

This is an impossible situation. I mean, we hold meetings in our union; we have had 8,000 at a meeting and then voted on the question of ratification.

Hon. J. R. Simonett (Minister of Energy and Resources Management): You never had 8,000 at a meeting in your life.

Mr. Pilkey: I think you could do that across the province in terms of ratification, if there is really no significance in the ratification.

Now the other thing. I would think that the Minister at least had some recognition that everything is not rosy within the framework of the civil service programme here in the province of Ontario. Because—and I want to give him some recognition for that—if I take what he has done at its face value I want to give him some recognition, because he asked Judge Little to make some determination. So I would hope that he thought that everything was not right and that we ought to have a study in some of these areas.

Let us just take a look for a moment at some of the terms of reference. One of them was a determination of an appropriate bargaining unit. Now maybe it means that there will be more than one organization representing the employees in this province. Maybe it will be set up on the basis of occupational groups in terms of negotiation. I do not know what Judge Little is going to say, but in any event, it seems to me that there was some recognition that there was something wrong.

Number two was the recognition, in the employees' report, of the bargaining agent. Again, I am sure that he recognized that there was some feeling engendered by the employees of this province that they were not all in favour of the present bargaining agent under The Public Service Act and that it was necessary to make some changes. I would hope that Judge Little, when he hands down his report, studies this in some depth, because I think that that is absolutely necessary.

I do not think I need to go on to outline to the Minister what he set up as terms of reference for Judge Little, but I do think that this was a progressive step, at least I hope it was. At least he recognized that there was something wrong within the service and he needed a study to ascertain exactly what it was.

I want to conclude, Mr. Chairman, by saying again that this province ought to give their employees a free choice in terms of a bargaining agent. They ought to have a free choice in organization and they ought to have a free right to collective bargaining in this province.

Let me say that this province goes around —or at least the government does, in any event—and again I want to get back to the book, this one on the civil service, 1967. I would hope that I got the proper interpretation from the work; it goes on to say, on page 10:

> In our regular advertising programme, with the encouragement of the departments, we standardized the format and layout of our ads and adopted Ontario's logo for display in every advertisement.

Now I hope that the logo was that little crest—and below it it says "The Province of Opportunity"—that is what the logo is. I did not know what that word meant, you see, but I assumed that is what it meant.

Now we are going to have to give the collective bargaining agent his rights and freedoms if we intend to give that slogan and those words meaning. This is what the whole term democracy is about.

As recently as this morning, I have seen one of the members get up mischievously and put some devious questions to the Prime Minister, and leave the inference that there is no democracy within the trade unions of Ontario, and that the union members have no freedom of choice in terms of membership, and policy, or anything else. Let me say that this is not factual. The fact is that they do have freedom of choice given them by The Labour Relations Act, as to the direction they wish to go. They are also free to determine the policies and programmes of their organization.

Hon. Mr. MacNaughton: The Labour Relations Act has no bearing here, if I may correct the hon. member. It is The Public Service Act that regulates the civil service.

Mr. Pilkey: The point that I am trying to make here—and the hon. Minister is entirely correct, in that it is not applicable to the employees of the government, but I wish to relate The Labour Relations Act to this—it is the other employees.

All I am saying is that the civil servants should have equal opportunity with the other workers. This should be the province of opportunity, yes, but rather it should be the province of equal opportunity. Let us give those employees the equal opportunity to make their own determination as to what they want as a bargaining unit. I do not

like the way they are legislated into an organization.

As I said at the outset, maybe the CSAO have got the best leadership in the world. I do not even know the gentlemen who lead the civil service association of Ontario. I would not know them if I fell over them. All I am saying is that the civil servants ought to have the same rights and opportunities as any other worker in the province of Ontario. If we are going to adopt the democratic principle, that everyone believes does not exist within the trade unions of Ontario, then we ought to give the civil servants the same opportunity. This means that, as this man from Toronto pointed out, they believe by resolution that they should be covered by The Labour Relations Act, so that they have a freedom of choice, and a freedom to collective bargaining.

Mr. Chairman: Would the Minister wish to reply to the comments or deal with the questions as we come to the votes?

Hon. Mr. MacNaughton: I would like to say to the hon. member for Perth, with respect to the annual report, that he will recall my absence from Ontario for ten days from June 23 to July 3, and the report was available to me on my return—and that probably accounts for some of the delay in getting it tabled. Now, he was interested in the matter of Benefact services. This really is a service for the purpose of informing employees of their benefits, which are related to long service.

Both the civil service commission and the Treasury board examined this matter very carefully, and I cannot really understand why any long service employee would not be delighted to receive the information that the card will eventually provide. It will eventually tell them the total benefits under the superannuation plan, and evaluate the various fringe benefits that accrue to them in terms of health services, sick leave and, I presume, vacation credits—the whole gamut of benefits will be set up in a sensible brochure for each civil servant in the employ of the government. It is an excellent service. It is being used widely in industry, I understand, and it is not too expensive. The cost actually per employee is 50c; the total cost is 50c to provide the people with this.

Mr. E. W. Sopha (Sudbury): A lot less than the council of arts report cost.

Hon. Mr. MacNaughton: Yes, probably right.

To provide the civil servants of the province with this information is not an expensive item. I think it will prove very valuable to them individually, and probably retain them in the service for longer. I think it will encourage them to continue their career, to make a full-time career out of it, because the advantages of remaining in the civil service will be well delineated.

Now I do not know that there is much point in my attempting to go into this health services insurance programme again. I have gone into that in great detail in the House and gave a statement on it before the orders of the day sometime ago, I think in response to questions from the hon. member for Grey-Bruce (Mr. Sargent). If the hon. member would like to do a little research in *Hansard*, he will find it all set out there in complete detail. These references to London Life and Colin Brown are totally inaccurate. London Life was one of a group of six actual insurance companies. There were more than that that actually pooled their resources to take on the total risk. The insurance companies themselves which became the group that underwrote the health services of the associated benefits under the civil service health insurance plan, actually appointed the London Life to do the negotiation for it. It was by agreement, and I would say one more thing to clarify the position on this for the hon. member. The negotiations were carried out by the civil service association, not by the government.

Mr. MacDonald: And London Life!

Hon. Mr. MacNaughton: Well, it may be. Let me put it this way to you, Mr. Chairman, the civil servants of the province are very happy with it. They are very happy with it because it is a good plan.

Mr. MacDonald: They were forced to take it.

Hon. Mr. MacNaughton: They were not forced to take them. They were all part of negotiation and the whole package was negotiated in good faith and accepted on that basis. No matter what any member of this House likes to say about it, it is an accepted plan and it is a good one, and those that are benefitting from it are very much aware of it.

Mr. Sopha: I am trying to join it.

Hon. Mr. MacNaughton: I did not know, but you can join, I believe. I will find out if you like.

Interjections by hon. members.

Hon. Mr. MacNaughton: I would think that the hon. Minister of Health (Mr. Dymond), would hope that when the present contract expires, if it is the wish of the civil servants of this province to become members of OMSIP, yes, I would hope he would, I would think he would.

An hon. member: You will welcome them with open arms.

Hon. Mr. MacNaughton: But again, it will be a matter for negotiation with the association which I think is quite proper.

Mr. Sopha: Has Stanfield taken Colin Brown off his Christmas list yet?

Mr. Chairman: Perhaps the record should be corrected that the Minister referred to the member for Grey-Bruce, I am sure he meant the member for Perth, in his remarks.

Hon. Mr. MacNaughton: No, no, I did not. When I made the reference to the hon. member for Perth, I said I supplied the information on a previous occasion in response to a question from the hon. member for Grey-Bruce, which I did.

Mr. Sargent: I have questions I want to ask you.

Hon. Mr. MacNaughton: I dare say you have. I can be sure of that. Now I will try to deal with the questions of the hon. member for Oshawa.

Mr. Chairman, on that welter of questions, if I may put it that way, I doubt very much if I will answer anything close to all of them; but I am happy that he has made a list and we will come back to it so that we can deal with them later.

Let me see, it will probably not be in any particular order. I would make this general observation to the hon. member that the terms of reference assigned to Judge Little cover, in general terms, many of the specific things he is talking about. I think he will agree with that, so that if I do not go into detail on some of them, it may well be that it is because it is before his honour for consideration and we hope to hear from him reasonably soon. There are a number of submissions still to be made to him, but he is progressing very well. As a matter of fact, I think right now he is taking a short but well-earned vacation.

Let me see—reference to cleaners' salaries. Just about right—$1.94 to $2.06 an hour, and they are presently under arbitration. This is one of the classes that is before Judge Anderson at the moment in arbitration process. It has been that way since January 1 last, that was the effective date of the cycle for review purposes.

Mr. Pilkey: Do you think they will get it?

Hon. Mr. MacNaughton: Oh, I do not know. Pierre Elliott Trudeau, the Rt. hon. Prime Minister, said that you cannot squeeze all that much juice out of a lemon—well you remember his words. There is a limit to the amount of juice you can squeeze out of a lemon. Do you remember that?

Mr. Sopha: He was referring to this government.

Hon. Mr. MacNaughton: Well, I think he was referring to the union that was negotiating for the seaway workers. I think that is what he had in mind.

Interjections by hon. members.

Hon. Mr. MacNaughton: Now, with reference to matters settled in direct negotiation or at mediation, these are ratified by a mail ballot to all members. If that answers the question as to the question as to the ratification procedures?

Mr. MacDonald: Are the terms of the settlement known?

Hon. Mr. MacNaughton: Well, the ballot is not very much good unless the terms of the settlement are known. I suggest that the members are made aware of the terms of the settlement for ratification purposes. With respect to matters, and I am addressing the hon. member for Oshawa again, not resolved at local and departmental negotiations, they can be referred to the joint council or, if need be, to arbitration—and frequently they are.

Grievance against dismissal is not final, I think you made a reference to this, I believe. The appointments are by the Crown by law, and then they are at the Crown's pleasure in most circumstances. However, the government publicly announced the policy that it would implement every decision of the grievance board and it has implemented every case since 1960. Every decision of the grievance board has been implemented by the government, so it seems to me—

Mr. Pilkey: Why does that addition to the Act not appear on the grievance procedure?

Hon. Mr. MacNaughton: It is a statutory requirement where the Crown is involved.

Mr. Pilkey: They are involved in the other one, too.

Hon. Mr. MacNaughton: No, they are not appointed by the Lieutenant-Governor in council. I will try and explain that a little later on. With respect to the Ontario Provincial Police, for instance, this may be the answer to your question. They have their own association—incidentally, outside the civil service association—but parallel arrangements for negotiations are available as for the rest of the civil service and are dealt with by regulations in their Acts. I mean the counterpart of the same regulations under The Public Service Act is in the Act governing the Ontario Provincial Police. I believe it is the same regulations as in our Act; that is right.

Regulation 213-65, the Ontario Provincial Police negotiating and arbitration committee: In this regulation; a) arbitration committee means the Ontario Provincial Police arbitration committee, b) negotiating committee, means the Ontario provincial negotiating committee, and so on.

Mr. R. Gisborn (Hamilton East): What section is that?

Hon. Mr. MacNaughton: Regulation 213-65, page 49, Ontario regulation 213-65. The same powers, same procedures; parallel procedures in every way.

Mr. Pilkey: Except they have a separate association.

Hon. Mr. MacNaughton: So what? References to free choice of bargaining agent: Of course, that is covered in the terms of reference that is assigned to Judge Little. I think you made reference to that yourself, so we are awaiting his report.

I would say this, though, and I think it is quite appropriate to say it now, that if he recommends, and the government accepts the recommendation that the free choice of bargaining agents be implemented, I would say to you, Mr. Chairman, they will still have to negotiate under The Public Service Act and on the same basis as it now applies to the CSAO.

I doubt very much—I know—that does not cover all the questions the hon. member asked me. Maybe we will pick them up as we go along.

On vote 301:

Mr. Chairman: The member for Hamilton East.

Mr. Gisborn: Mr. Chairman, through you to the Minister: I think the Minister is well aware of the contention of our party in regards to the civil service association of Ontario, and their main conflict with the establishment. We realize that maybe half of the civil servants of this province are happy with their lot under the association as their bargaining agent. I am aware, personally, that many are not satisfied with their lot under the civil service procedures of collective bargaining and what they are able to gain from it.

That is one issue that we find almost in every area where we have two groups that negotiate together. But, nevertheless, there is the principle that bothers us and that is the exclusion under The Labour Relations Act. And we feel, and I know that we have to deal with this, with the government as a whole. We cannot deal with it with the Minister of Labour, and I do not suppose we can deal with it with the Provincial Treasurer in charge of the civil service administration.

But we have to deal with the three of them to get our point across. What I would like to know from the spokesman for the government in regard to the civil service association, is a clear enunciation as to why they want to sustain the employees of the government under The Civil Service Act, The Public Service Act, as it spells out setting up their methods of collective bargaining, rather than being in favour of removing the exclusions from The Labour Relations Act. As we recognize it as being one of the best—we at least give it credit as being one of the best in North America—and removing the exclusions, so that any branch, as has been mentioned by my colleague from Oshawa, any group, can organize themselves in a union of their choice. I think we are entitled, at this point, to a clear enunciation from the Minister the Treasurer of the principle involved in the government's sustaining this kind of procedure before we get into any particulars as to how it is operating. I think it is about time because from here on in and in the coming years, it is going to be a subject that is going to be more prevalent across the province.

I do not know just how active the united government workers of Ontario are going to be, but I know they are going to find a lot of sympathy in a lot of the groups; and I think that the government should enunciate very

clearly their reasons for submitting this group to the binds that they are in as civil servants.

Surely, when we read the Act, they are under enough obligations to the Crown in their occupation without being subjected to legislation that refuses them their free choice of a collective bargaining agent. If the Minister wants to listen to these words and enunciate government policy, I would like to know the principle that sustains this kind of approach.

Hon. Mr. MacNaughton: Well, Mr. Chairman, the civil service association of Ontario has been a separate, incorporated association for, I think, about 40 years. And the government, I might say, in no way interferes with their policies or their membership. I think, at the moment, they represent something like 65 per cent of the civil servants, which hardly indicates to me that they do not have the support of what might be called an appropriate percentage of the civil servants of this province—65 per cent is a pretty fair percentage. There are a number, as has been said, of the civil servants who do not belong. This is by choice, that they do not belong. Nevertheless, 65 per cent of them are represented. Now, we have no intention of interfering with them.

I am almost prompted to ask the hon. member whether he believes in the CSAO. They have done some good things for the public service. As a matter of fact it cannot be too bad as we have had bargaining, as the hon. member knows—because he was here when the present cyclical review and bargaining processes were set up in 1964. During that period, the average pay of the civil servants has risen from $4,431 to $5,865, on average. The last figure was reached last year and it will probably be increased when the negotiations that are presently under way are completed, and when the arbitrations are completed. Now, that happens to be about 40 per cent. During that period, the cost of living rise has been from 133 points to 149, or 8 per cent.

All salary negotiations are worked out on a basis of very intensive salary research. I explained this in debate in the Legislature a year ago, with either the hon. member who has just spoken or another of the hon. members.

Mr. Gisborn: What was the per cent increase again?

Hon. Mr. MacNaughton: The average? The average pay has risen in three years, that is until last year, by 40 per cent—approximately 40 per cent.

Mr. Gisborn: That all depends where it came from.

Hon. Mr. MacNaughton: From $4,431 to $5,865. That does not include the professional revisions just recently awarded.

Mr. MacDonald: And you say the price index rose by how much—8 per cent?

Hon. Mr. MacNaughton: From 133 to 149, a good record. I frankly do not know how there could be too many disgruntled employees, or members of the civil service association. I think there has been a great deal accomplished for them as members of that organization.

On the other hand, a point has been referred to on a number of occasions this evening. Notwithstanding what I have just said, the terms of reference assigned to Judge Little have to do with bargaining units. I sent a copy of the order-in-council over to your leader a few days ago. If the hon. member is not familiar with them, I have them here, but I think he is familiar with the terms of reference that are assigned. Now, I think this indicates that we discuss these things with the association. We do sit down and discuss these things, otherwise we would not have asked Judge Little to undertake these hearings and make these determinations. So this, Mr. Chairman, is the government's policy with respect to the association. We do not propose to interfere with them but we do propose to keep talking to them; listen to their representations; have them heard and considered by an appointee such as Judge Little from time to time. This is the process we are going through right now.

Mr. I. Deans (Wentworth): Mr. Chairman, I wonder if I might ask the Minister how many sets of negotiations have been carried on in the last two years; how many went to arbitration, and how many were settled by direct negotiation?

Hon. Mr. MacNaughton: Yes, I will have that information for the hon. member in a moment.

Mr. J. P. Spence (Kent): I might say to the Minister, I have listened with great interest to the debate that has gone on here and, of course, there seems to be a lack of information coming from the civil service association to the civil servants. There is a lack of communication, I believe. On many occasions, I

have been approached by different civil servants who do not clearly understand what is taking place. I have been informed that these negotiations or arbitrations have been going on for six or seven months which is alarming to the individuals—civil servants.

Now, I would like to bring to the attention of the Minister some of the things that have been brought to my attention. And maybe he can give me an answer that I would be able to inform the civil servants as to just what is taking place. One of the questions which has been asked of me concerns the right of the civil servants of the province of Ontario to choose a bargaining agent of their own choice. A second question concerns a complete lack of communication between the government and employees. For example, a complete lack of interest in the welfare of the civil servants' pay, working conditions, time involved in negotiating, and hours of work.

Now, since the government has given the civil service association of Ontario the right to bargain for civil servants, it would appear that the civil service association of Ontario is government-sponsored, and their prime and only purpose is to pacify its members, not to serve.

Now, these are some of the things that come to my attention Mr. Minister, and I think this is the time to bring them to your attention, so that we will clearly understand and have answers for the civil servants who seem to be not too well informed.

Now, there is another problem that has been brought to my attention, and this concerns The Department of Health, especially our hospital schools where they have started a new programme called the unit system which no one seems to know too much about. We have been working under unified nursing which was started approximately five years ago. We have not completed this system yet, and are going to have the unit system changed starting in September of 1968.

Now as I understand—as I am informed by civil servants—these civil servants will have to write examinations. There are no text books available for them to get any information. There is nothing to inform them what exams they will have to write, and this leaves them in a kind of a quandary to know what will take place if they fail these examinations.

Now, there is another problem that concerns this new unit system, that the nursing aides and attendants are going to be under the new unit system. They are to be called, I believe, housekeepers or ward counsellors. Therefore, are their jobs going to be abolished since educational qualifications have been increased from grade 10 to grade 12? If this is job security, Mr. Chairman, when they can abolish high ranking supervisory jobs, what chance would the lower-grade civil servants have? There is a lack of communication between the civil service association and the civil servants and I think that this could be improved to keep them better informed. Maybe the Minister could inform me if these civil servants are informed of the working conditions of the civil service association of Ontario.

Hon. Mr. MacNaughton: Mr. Chairman, in answer to the hon. member for Kent East—

Mr. Spence: Kent now!

Mr. E. Sargent (Grey-Bruce): What is your name?

Hon. Mr. MacNaughton: Some of these ridings change just a little bit.

On the matter of bargaining, the hon. member probably heard me make reference to that when I was addressing certain remarks to the hon. member for Oshawa—or rather Wentworth, I said, Mr. Chairman, this matter of bargaining, bargaining units and bargaining agents of their choice, this is all in the terms of reference that are before Judge Little, so that hopefully we will be able to consider his recommendations before too long.

I just say again, as I have said before, that they would not have been incorporated in those terms of reference if we did not feel an interest and had not listened to the representations of the association. They are there, so that might be something you can tell those people that have indicated their concern to you.

I find it difficult to accept this observation that has been expressed to you, that there is a complete lack of interest on the part of the government and the civil service commission. It is totally untrue. It is manifest, I think, in the fact that our—is it 97? Just a moment. We have had a recent experience—the percentage of turnover in the civil service was at an all-time low in 1967. The percentage of regular staff involved in turnover is 7.8 per cent. It is lower than it has been for some years. I can only construe that as meaning that there is an element of considerable satisfaction among the civil servants so I find it difficult to accept that observation, although it is quite—

Mr. Sargent: What is the other side of the coin? How many vacancies do you have to staff?

Hon. Mr. MacNaughton: I will give you that information when it is your turn, shall I? Will I finish dealing with the hon. member for Kent? Would that be all right?

Mr. MacDonald: Do not be so solicitous.

Mr. Sargent: How nice these guys get when they are on their estimates. They are nice and sweet and all honey—

Hon. Mr. Grossman: The Provincial Treasurer is always nice. I wish we could say the same about you.

Hon. Mr. MacNaughton: Not always. Now, communication—was this not another complaint that they indicated to you? I did make some earlier references about our attempts to communicate. This is done, of course, through *Topic* magazine and *Topic Bulletin.* And, to the extent that there may be some concern about lack of communication or any of the matters the hon. member has referred to, and more particularly with the problems in the various classifications in The Department of Health—although those are more the responsibility of the Minister who is their employer—tell them to watch for an upcoming issue of *Topic.* We will try to have an article in there that will describe how to deal with the situation to which you make reference.

Mr. Sargent: Propaganda—

Hon. Mr. Grossman: You cannot win.

Hon. Mr. MacNaughton: No, you cannot win.

Mr. Spence: What about the civil servants writing exams; or that they have to have grade 12 instead of grade 10?

Hon. Mr. MacNaughton: They are not released from service. It might offer them an opportunity to upgrade themselves. If they do not make it they may not be upgraded as much or as fast as they might like to be, but there is no danger of losing employment, I can assure you.

Now, with respect to the number of arbitrations. I believe this question was asked by the hon. member for Wentworth.

Mr. Deans: I am looking for the total number of settlements, including the number of negotiated contracts. How many were settled by arbitration, and how many were settled by negotiations?

Hon. Mr. MacNaughton: In 1966, by arbitration, clerical and maintenance—the material I have does not appear to be complete. If you want this in complete detail, and if you will give me a little time, I will get it for you.

Mr. Deans: I know this comes under vote 308. You are dealing with the civil service arbitration grievance board and joint council. I guess it would be better under that vote.

Hon. Mr. MacNaughton: I think it is more appropriate.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I would like to bring to the Minister's attention the fact that he misled the House—I would understand unintentionally—but he mentioned turnover in staff, that the staff turnover rates have diminished over past years. Actually, the turnover rate has diminished but it is not 7 per cent, it is 13.9 per cent when you take in both regular and probationary. Mr. Minister, you were not mentioning that. If you look at probationary alone you have got a turnover of 38 per cent, which is tremendous.

Hon. Mr. MacNaughton: Mr. Chairman, on a point of order, the member is 100 per cent wrong. I made it quite clear, Mr. Chairman, that I am making reference to the regular service. I made no attempt to mislead the House, intentionally, or otherwise. I made it quite clear that it was the regular staff.

Mr. B. Newman: You make it all so clear that there is another figure here.

An hon. member: It is 39 per cent for probationary.

Hon. Mr. MacNaughton: May I comment again on this point? I want to qualify that the figure to which the hon. member makes reference includes probationary staff. Now, that is the whole purpose of a probationary period of employment. During that probationary period many employees do not measure up to the requirements and it makes it possible for us not to engage them permanently. That is what makes that figure, but I made specific reference to regular staff because, of course, that is what counts.

Mr. B. Newman: Even though you may make reference to a specific thing, why do

you not give us the whole picture on the thing? You noticed that your probationary staff turnover rate had increased over the year, too, so it is not as rosy as you tried to lead the House to believe it to be.

Mr. Chairman: The member for York South.

Mr. MacDonald: Mr. Chairman, there are a number of issues that I wanted to raise. May I ask the Minister who is eligible for membership in the CSAO?

Hon. Mr. MacNaughton: Everyone; everybody; anybody can join, right up the line to Deputy Ministers. Certain senior levels are excluded from the bargaining process—but they can be members of the CSAO and many do belong.

Mr. MacDonald: You mean everybody in the public service?

Hon. Mr. MacNaughton: Yes, everybody can join.

Mr. MacDonald: What I wanted to get at is: Everybody in the public service, and I presume in the parallel organizations.

Hon. Mr. MacNaughton: Classified or unclassified.

Mr. MacDonald: Unclassified, but—

Mr. M. Shulman (High Park): Coroners, too?

Mr. MacDonald: Did you want to reply to that "coroners, too?"

Hon. Mr. MacNaughton: They are not Crown employees.

Mr. MacDonald: They are not Crown employees, they are not public servants?

Hon. Mr. MacNaughton: They are not in that category, no.

Mr. MacDonald: Let me get to the point I wanted. How do you explain the situation in which people who are not public servants—for example, skilled tradesmen—

Interjections by hon. members.

Hon. Mr. MacNaughton: Mr. Chairman, I would like to point out to you, sir, really we are ranging all over the place here on the main office. This should be discussed on vote 308, really—the matter you just made reference to.

Mr. MacDonald: Does this come on vote 308?

Hon. Mr. MacNaughton: Oh, yes.

Mr. Chairman: Arbitration boards, grievance boards for the civil service.

Mr. MacDonald: Why would it be? It seems to me that it is policy under the whole section of bargaining units, who can be in a bargaining unit. Would that not be appropriate under policy which is now admittedly being reviewed by Judge Little?

Hon. Mr. MacNaughton: Well, I suppose it is all right but we have strayed quite a bit.

Mr. MacDonald: It was in that context, quite frankly, that I wanted to raise it.

What I am curious about is that I understand, in the instance of certain skilled tradesmen in Guelph University—which is not now a Crown agency, it is a separate institution operated under a board of governors—that the civil service association has been certified under The Labour Relations Act to represent these people.

I am curious as to how far this goes, because, quite frankly, in the interest of the civil service association—whose relationships with UGWO, as it is described, are going to be a little tense—the relationships are going to become even worse if the civil service association is going to have an effect on the monopoly in this position among public servants with full right to move out among others, but nobody can come into them.

I mean, in trade union terms, this is having the right to raid in one direction but not to raid in the other direction. It would seem to me that this is just going to be bad for everybody, including the CSAO. Does the Minister agree?

Hon. Mr. MacNaughton: Mr. Chairman, it is seldom I agree with the hon. member, although I do sometimes, and in this instance I agree with him entirely. We wonder just as much as you do; we are concerned about it. Again, we hope the recommendations of Judge Little will have something to say about this.

In all honesty, Mr. Chairman, I could not agree more. I would say to you in all frankness—and I hope this gets back to the ears of the civil service association—that the only reason we have not had some discussions is because of the terms of reference that are being reviewed by Judge Little.

Mr. MacDonald: You do not want to be *sub judice.*

Hon. Mr. MacNaughton: No. It is a fact, I did not want to be prejudicial, but in this instance we are just as concerned as you are.

Mr. Pilkey: What about Midland? At Midland it was the same thing. They were certified with municipal employees in Midland.

Mr. MacDonald: I personally am willing to leave the matter—the Provincial Treasurer has been quite frank on the issue. It is before Judge Little. I trust that Judge Little report is going to come down fairly soon. In fact, can the Minister give us any indication of when that is likely to come?

Hon. Mr. MacNaughton: I would doubt if it would be before this fall or very early spring. I do not think it is possible because he is not sitting now. He will resume his sittings in the fall.

I think I am right that he—and there are some more submissions to be made to him—he is progressing very well. He is right on schedule, but—

Mr. MacDonald: Let me pursue this for a moment then. If Judge Little's report is not going to be down until some time in the fall —if there are further sittings—what is going to be your position *vis-à-vis* the group in the Don jail? The civil servants in the Don jail?

Hon. Mr. MacNaughton: They are all members of the public service now.

Mr. MacDonald: Admittedly they are all members of the public service. They have been given the right to continue in CUPE and the whole matter has been referred to Judge Little, but this was for only one year. At the end of one year the government's guarantee that their position would be retained presumably runs out.

What is going to be the position there if, at the end of the year, you have not heard from Judge Little and the whole thing sort of drifts out into limbo?

Hon. Mr. MacNaughton: I guess I am going to prejudge the judge in this instance as to when he may be finished. We hope this fall. There is a submission to Judge Little on this matter by the Don jail employees. I can only say hopefully this fall. It is very difficult to answer your question—very difficult.

Mr. MacDonald: May I say this, that I think there are a number of matters that hinge on Judge Little's report to such an extent that I do not think it would be out of place for the government to suggest to Judge Little that the receipt of his report is a relatively urgent matter. Because, quite frankly, I think you are going to get yourself into a position that, quite rightly, can be construed once again as one of bad faith, certainly in relationship to the people in Don jail. Indeed, the Minister talks as though everything was very rosy, and if I may just interject in passing here, in terms of the relationship, in the release that was put out by the CSAO when they went to arbitration on June 26 and 27, their comment was: "Negotiations and mediation have been futile. Government offers were so ridiculously low that they could have no possible basis and, in the view of the association, were indicative of poor faith."

Those are pretty harsh terms for people who are presumably very happy in this best of all company with the government at Queen' Park.

However, let me move on to this next point that I wanted—

Hon. Mr. Grossman: Pretty harsh terms for an organization that is not supposed to be militant enough, according to you.

Mr. MacDonald: You are raising another point. We will deal with that on another occasion.

I wanted to raise with the Minister a number of questions in connection with the whole issue of political activity of civil servants. As the House knows, or at least older members of the House will know, we had complete exclusion from political activity under some resolution that was passed in 1896 until 1963, and in 1963—

Hon. Mr. MacNaughton: The Public Service Act was amended.

Mr. MacDonald: Yes, in 1963 we did move into the 20th century. I do not think we have had any discussion since then and I just want to draw attention to one or two of the stipulations that were put in the Act then. I would concede in advance that we made a real step forward. I do not think we went as far as we could have gone or as we should have gone, but it was a real step forward.

Some of the hesitancies I would like to draw to the attention of the House. For example, in—I am reading from the Ontario Statutes, 1962-1963, from The Act to amend The Public Service Act—and in section 3, subsection 9(c) it refers to, for example, "a civil servant shall not during a provincial or a federal election canvass on behalf of a candidate in the election."

Now, Mr. Chairman, that is really making a mockery of the law. As the chairman of the civil service commission, with whom I had many discussions when we were thrashing through this back in those days, will recall—just let me have the House ponder for a moment—if you talk to your neighbour on behalf of your favourite candidate, is that canvassing?

Mr. Sopha: Yes.

Mr. MacDonald: I suspect it is part of the free speech that is rather basic in this country, and, if it is part of the free speech, suppose you talk to your neighbours all the way along the street—where does free speech and canvassing begin?

Mr. Sopha: At the second house.

Mr. MacDonald: At the second house? Well, I will tell you what happens. If you happen to be canvassing for a candidate of the government party, then free speech can extend that much further.

Mr. Pilkey: The whole block.

Mr. MacDonald: The whole block and perhaps all the way around the block.

Hon. Mr. MacNaughton: I think, Mr. Chairman, I will have to say that that is not correct. I know of no circumstances where anyone pursuing the ordinary course of canvassing in an election to which the member makes reference has been penalized. No punitive measures have been taken, that I am aware of.

Mr. Sargent: What does the Minister mean? He fired them.

Mr. MacDonald: Mr. Chairman, may I say to the Provincial Treasurer, I am delighted to hear him say that.

Hon. Mr. MacNaughton: I do not know of any.

Mr. MacDonald: Okay, now he does not know of anybody who has been fired or anybody who has been penalized. I want to make two comments on that.

One, as far as I am concerned, I do not happen to know of anybody, but it makes a mockery of the law, because the law says you cannot do it. It is a bad law because (a), it infringes on basic civil rights and, (b), the Provincial Treasurer himself says that it is not in effect enforced. Therefore, it is fundamentally a bad law.

That is what I argued in 1963 and I suggest it is time that we cleaned up the law.

Hon. Mr. MacNaughton: Mr. Chairman, there are other types of canvassing—perhaps it should be more precise—there are other types of canvassing that can lead to very serious problems where civil servants are involved. I think the member must be aware of that.

Perhaps the Act should be written in more precise terms, I would be prepared to admit that, but I was not around—

Interjections by hon. members.

Hon. Mr. MacNaughton: Mr. Chairman, would I be imposing on you to ask for you to allow me to address the member for York South?

Mr. Chairman: Yes, I would ask the members to refrain from interjections which interrupt the proper and free debate. I believe these matters are quite important. The Minister is replying to certain questions put by the member for York South and I think there should be no interruptions at this point.

Mr. Sargent: How does he get special leave?

Hon. Mr. MacNaughton: All right, Mr. Chairman, I will pursue this and attempt to finish it.

I am advised—I do not know because I was not around, I had no knowledge of it at the time—I think the canvassing for money was taken under very considerable consideration. Again I agree with the hon. member, it is something we can take a look at and we will.

Mr. MacDonald: I hope the Provincial Treasurer will take a look at it because I feel rather certain that the definition of "canvassing", as we considered it back in 1963, was canvassing when you talked to a person and you tried to solicit support on behalf of the candidate that you were working for. Canvassing for money, I think, is another matter altogether.

Interjection by an hon. member.

Mr. MacDonald: That is bagman activity; that is not simple little lowly citizens being involved.

Let me go on to one other clause, 9(d): "Except during the leave of absence granted under subsection 2"—this is when one becomes a candidate—"civil servants shall not at any time speak in public or express views

in writing for distribution to the public on any matter that forms part of the platform of a provincial or federal political party."

Once again, I suggest that you are being unnecessarily stringent there. I grant you there has to be a degree of discretion used, but I can think of occasions when people who happen to be close to the political party in power appeared to be saying things that were accepted—that they got away with. If they were somebody in the Opposition they would likely get into difficulties.

The Minister has indicated he is ready to review all this. I think the time has come perhaps to get into the second half of the 20th century on it. But when we are considering moving into the second half, may I put a $64 question to the Provincial Treasurer?

In clause 3 of the amending Act in 1963 it refers to "a Crown employee may be a candidate for election to any elected municipal office, including a member or trustee of an elementary or secondary school board, or trustee of an improvement district," and so on. Then there are exceptions: "The candidacy, service or activity is not in affiliation with, or sponsored by, a provincial or federal political party."

Let us suppose that what is emerging in the city of Toronto—and it is not beyond the realm of possibility – should take place; namely, that elections in the municipality of the city of Toronto or Metro Toronto should be fought on a party basis. At least one party is committed to a willingness to do it. Another one is considering it. Leading spokesmen, including Cabinet Ministers in this government, have indicated that it is a good idea for the Conservative party.

Does this mean, I put it to the Provincial Treasurer, that if in the next municipal election in Metropolitan Toronto—

Interjection by an hon. member.

Mr. MacDonald: If what the Provincial Treasurer is saying is that he is going to impose his will on everybody in the municipality of Metropolitan Toronto and if, perchance, there is a decision agreed to by all political parties that they will run on a party ticket, then any civil servant in the metropolitan area in effect will be denied what little right he has in here. He will not be able to run municipally at all.

Hon. A. F. Lawrence (Minister of Mines): If he runs under a party label.

Mr. MacDonald: Right, but if all parties decide that they are going to run on a party label, in effect you are going to force him to run as an independent against party label candidates from the other three parties.

I do not know what the Minister's views are but I would suggest to him it is rather an anomalous position you are going to be in. If you are going to look the Act over, I suggest, once again, that this is a place where some second thoughts might be held.

Mr. Sargent: Is the member pleading for mercy now?

Mr. MacDonald: No, I am not pleading for mercy.

Hon. Mr. MacNaughton: Well, Mr. Chairman, I do not want to pursue this very much. I agree in part with what the hon. member has said.

Excuse me, I will sit down until you are ready, Mr. Chairman.

Mr. Chairman: I would ask the member for Grey-Bruce not to pose so many interjections during the debate.

Hon. Mr. MacNaughton: I do not really mind, but I am assuming the hon. member wants to hear what I have to say.

I have already indicated the extent that I am in agreement with the hon. member—that this section of that particular piece of legislation should be reviewed. It is my own opinion, with respect to his last observation, that an intolerable situation could exist in the event that a civil servant was elected. Let us assume he was elected on a party ticket and he was trying to serve as a member of one government and serve another government in a different capacity. Suppose those political stripes were at variance. I say you would develop an intolerable situation there.

Mr. MacDonald: I have news for the Provincial Treasurer.

Years ago when I was in Ottawa and happened to be engaged with a group in the local civil service association, we did a study of what we described as civil rights for civil servants. I was fascinated to discover that the kind of step forward we took in 1963 was really only a baby step. Some of the things that the Minister fears, for example, have not been realized in the province of Saskatchewan, where you have pretty full complete political rights.

Indeed, the point that I wanted to draw to the Minister's attention is that there was even

an instance, in one of the Scandinavian countries, where a Deputy Minister ran for the Opposition party and was defeated and returned to his job as Deputy Minister.

Mr. J. Renwick (Riverdale): Protected by an ombudsman.

Mr. MacDonald: Protected by an ombudsman, right.

Now I would be willing to concede to the Provincial Treasurer that even I have found that to be rather idealistic, because if a man is at the Deputy Minister level, he is at the policy making level and the implementing level. But the point I am trying to make to the—

Hon. Mr. MacNaughton: Not only that, he is privileged. He is privy to—

Mr. MacDonald: Agreed.

Hon. Mr. MacNaughton: —he is privy to government policy and it would not work, Mr. Chairman. I do not agree with that.

Mr. Sargent: He knows enough to put the government out of business.

Mr. MacDonald: Agreed, but all I am saying is that most people below Deputy Minister level—once you decide that they can have only certain political rights, otherwise you are living with a lot of bogeymen—that kind of thinking is part of a bygone age and really restricts the basic rights of civil servants and puts them in the class of second-class citizens.

Mr. Chairman: Vote 301? The member for Hamilton East.

Mr. Gisborn: Mr. Chairman, I would like some information.

I understand we have approximately 43,000 civil servants in the province, but—

Hon. Mr. MacNaughton: There are 50,000.

Mr. Gisborn: There are 50,000 now. That is quite an increase from the last time I saw the figures.

What would be the wage tab for the civil service of Ontario? The total wage tab.

Hon. Mr. MacNaughton: The total wage tab for the civil service? I will have that for you in a moment.

Mr. Chairman: The Minister is getting the information for the member for Hamilton East.

Hon. Mr. MacNaughton: As of December 31, 1967, it is in the annual report actually, $296.2 million—just under $300 million. It is on page 51 of the annual report.

Mr. Sargent: Mr. Chairman, the main office vote, I take it, is where you discuss policy insofar as your department is concerned?

Hon. Mr. MacNaughton: Yes.

Mr. Sargent: The figure of $292 million—

Hon. Mr. MacNaughton: It is $296 million.

Mr. Sargent: Well, $296 million is the gross; the cost of salaries; the administrative salaries of the department.

Hon. Mr. MacNaughton: No, of all the civil servants.

Mr. Sargent: All civil servants. Have you, at any time, thought of a job evaluation programme or the idea of calling in an efficiency expert team to find out, by job evaluation, what we are getting for our money? In other words, if, in your wisdom, at budget sitting time, you could decide to cut the corners and say we are going to do a cut back of 10 or 15 per cent in personnel, across the broad picture, you save possibly $30 million in this one area.

Have you, at any time, though of discussing an efficiency survey, job evaluation?

Hon. Mr. MacNaughton: Well Mr. Chairman, there is a continuing process of job evaluation that goes on. The departments undertake their own. The Deputy Minister is responsible for it. He would assign his personnel branch, I suppose, to help him. Jobs are evaluated at regular intervals. They have to be approved by the section head, the branch head, the Deputy Minister. As a matter of fact, I think the job evaluation reports are referred to the commission and are audited there. The advisory service branch of Treasury investigates, on an assignment basis sections of departments where matters of efficiency are involved—this sort of thing the hon. member is referring to is an on-going process. It goes on all the time.

Mr. Sargent: My point is one of not flogging the point of Parkinson's law. At no point have you ever made a cutback. You probably have an increase of maybe 7 or 10 per cent in your personnel a year, with the population going up maybe 1 per cent or 2 per cent—I do not know whether those figures are right or not—but somewhere along the

line, if a programme of cutting back were in line, I do not see why you could not cut back 10 per cent. It is a never-ending process of loading on, loading on. It is, well, fact that to get a job in the civil service is a pension for life. Somewhere along the line, someone has got to do a job for the taxpayers of Ontario, and this is a good area for it.

Speaking of policy, the automatic feeding of people is a multi-million-dollar industry in this country today, and automation is part of feeding people. On June 20, I asked the Minister of Public Works (Mr. Connell) a four-point question about the granting of the installation of vending machines in one new building across here. I asked him who had the contract, was it a low-tender deal, the terms, the commission, the costs, the pay out and all this. His answer to me was that it was nothing, that this was a matter of civil service. I got no reply from him.

As I mentioned before, the people in the vending industry—and I am talking about a multi-million deal in the complex we have here. The contracts for this operation here will be a multi-million-dollar operation. We feel in the industry, and I am part of it, that this is a—I will qualify that, I publish a magazine in that area and I know what I am talking about—they feel that it is not good business for the government to let a contract without a low-tender bid basis. I think it behooves the government, the Minister in charge of civil service, that if you have the right to give these contracts out on a low-bid basis, we would like to know about it.

Hon. Mr. MacNaughton: Yes, Mr. Chairman, this is a policy that is administered by the Minister of Public Works. Actually the civil service association of Ontario, about which there has been much discussion tonight, operates the restaurants. Now I confess I cannot tell him what the arrangements are between the association and The Department of Public Works. I do not know.

Mr. Sargent: Mr. Chairman, I believe what you are saying but someone in government should furnish this information because it is public business. I will expect an answer either from you, sir, or the Minister of Public Works because he passed the buck to you and now you are passing it back to him.

Hon. Mr. MacNaughton: No, Mr. Chairman, I am not passing the buck. I simply say it, and I am not ashamed to admit it, I do not know.

Mr. Sargent: Well, will you get it for me?

Hon. Mr. MacNaughton: Well I will ask the Minister of Public Works.

Mr. Sargent: He said it was your responsibility.

Hon. Mr. MacNaughton: Well all right, we will try to clarify it for you.

Mr. Sargent: Please do. Thank you.

Mr. Chairman: Vote 301, the member for Oshawa.

Mr. Pilkey: Mr. Chairman, I want to ask a question but before I do, I do not think the remark that was made by the member for Grey-Bruce should be allowed to stand—when he said that as soon as you get on a civil servant job it is just being on pension. I think that is wrong. I think that just because employees of a government are not in private enterprise system—they are providing a service to the people of this province—they should not be looked down upon as people who, as soon as they get a job, are on pension. These people work, too, and I think they make a contribution to this province, and without them, this province would not make progress.

Mr. Sargent: Did you ever try to talk to these people? Did you ever try to get them on the phone? They come back from lunch at 3 o'clock and are never there when you want them. You cannot get any people on the phone in this civil service. Do they punch a time clock like industry does?

Hon. Mr. MacNaughton: Well, Mr. Chairman, all I can say is that I am glad the hon. member said that. I would not presume to say that about the civil service of the province of Ontario.

Mr. Sargent: Well somebody has got to say it. It is a big joke—what goes on here as far as business is concerned.

Hon. Mr. MacNaughton: All right. I will put it this way. You are quite entitled to your opinions and you are quite entitled to express them. Mr. Chairman, I do not have to agree with them.

Mr. Sargent: I cannot take a two or three hour luncheon break.

Hon. Mr. MacNaughton: All right. I am not going to quarrel. I just said I do not have to agree with you on this, and I am not going to because I know it is not true. Now, some things we can sit back and ignore, that one I cannot.

Mr. Sargent: It is just a big joke.

Mr. Pilkey: Well, I think it is a common expression from everyone that: "we have got too many civil servants doing too little." I do not go along with the opinion.

Nevertheless, I want to ask a question of the Minister. In answering some of my remarks he did say that to his knowledge all of the grievances were implemented. I am given to understand that there was a debate in this House last year, and I do not want to raise the old chestnuts, but nevertheless I understand that you passed a special order to gain these people their rates, but they never did get their classification. Even though the grievance board upheld their grievance, the government would not implement them.

Hon. Mr. MacNaughton: Mr. Chairman, we did implement their situations by order-in-council. That is exactly what I mean. I do not mean to say to the hon. member that the grievances are always upheld, because they are not, but whatever the grievance board decides is not interfered with by the government. To my knowledge, since 1960, every decision of the grievance board has been upheld by the government.

Now, in the matter of dealing with the situation which, as I recall it from last year, was to give effect to the classification rating committee decision, we by order-in-council approved the payment of some extra funds to him. That was to give implementation to that decision.

Mr. Chairman: The member for High Park.

Mr. Shulman: Mr. Chairman, I had hoped that I would not have to raise this matter in the House, so I wrote to the Minister on June 5, hoping to get an answer; but I have received none, so I shall have to raise the matter publicly here in the House, and hope that this way I will get a reply.

Earlier this year, I raised the matter of one Mr. David Greene in this House, and the Minister answered me at that time. He was an electrician at the hospital. I am not going to go into the details of the case at this time because I do not think that it is pertinent to this vote.

Mr. Chairman: Does the member have a grievance in connection with a certain employee?

Mr. Shulman: I said that I was not going to go into that matter.

Mr. Chairman: Good, because we do have a special vote for that here.

Mr. Shulman: No, this actually has been brought up here before, and the Minister did reply. However, another matter did come up in connection with the civil service association in this matter, subsequent to this. I wrote a letter to the Minister but supposedly he has been busy. This particular man, after losing a job in the Whitby hospital, went to the civil service association to ask if he could get other work. He did not go alone but was accompanied by his wife. A certain conversation occurred at that time with Mr. Bowen, the head of the CSAO, and I forwarded the statement which Mr. Greene and his wife sent to me, to the Minister, and asked him to investigate that.

I wish to read this into the record at this time, because I have not received any reply from the Minister and I would like to know the other side of the story. The allegations are sufficiently serious that I wish to have the Minister look into this matter.

This letter is signed by David Greene, and Winnie Greene; there is also an accompanying letter, which perhaps I should read. It is dated June 1, 1968. It says:

> Dear Dr. Shulman: Further to our telephone conversation, enclosed please find a statement signed by my wife and myself. Due to the fact that almost all the employees at Whitby have resigned from the CSAO and from their new union, UGWO, I think that Mr. Bowen is—

And he goes on to talking about David Greene, and perhaps I should not go on to read that. The Minister does have a copy of this. But here is the statement—this is what disturbs me and what I asked the Minister to investigate some seven weeks ago:

> On Wednesday, May 29, 1968, my wife and I were interviewed by the general manager of the civil service association of Ontario, Mr. Harold Bowen. This was at the CSAO offices in Toronto. The first question Mr. Bowen asked us was if we were prepared to relocate and, if so, would there be any problem in selling our house. I gave no reply to this question, but asked him what he had in mind.
>
> He then intimated that he could get me placed in a department other than in The Department of Health. This was possible, he said, due to his many contacts with the various Ministers. I then asked him why he could get me in another department, but could not get me reinstated in my former

position as an electrician at the Ontario hospital at Whitby. He then told us that as the Opposition had raised the issue in the Legislature, I would never get back into Whitby, as the government would not back down and admit that they were wrong, although he agreed with me that my work, regularity, and punctuality was satisfactory. He said that I had been used as a guinea pig, and was a victim of circumstances.

When I pointed out that there were many political appointees, Mr. Bowen said that Dr. Dymond was not very bright, and in fact he said that Dr. Dymond was often an embarrassment to his own government.

My wife and I were so upset with his interview that, as we got up to leave, Mr. Bowen said that no matter if I went to the NDP, the UAW, the trades and labour council of Oshawa, or the newly formed UGWO, I would never get my old job back—

Mr. Pilkey: Oh, he would get it back.

Mr. Shulman: To continue:

I then told him that I would fight this till my dying breath, and he said that if I would only keep quiet and not appeal to these various organizations, things would be better all around.

It is signed, "David Greene and Winnie Greene."

Now, the matters raised here are quite serious, and the matters raised by the initial firing, or letting go of the man—in the Minister's words—I felt were rather upsetting. The Minister had no time, ever, to explain why he was let go. This other matter, I think is far more upsetting; and I am even more upset that the Minister did not answer the letter. I am asking him now, publicly, if he will investigate this matter.

Hon. Mr. Grossman: There is nothing like working for an employer and publicly stating he is not bright. There is a great deal of loyalty there. I would love to have a lot of employees like that.

Mr. Shulman: He is an ex-employee.

Interjections by an hon. member.

Hon. Mr. Grossman: With your help I will!

Mr. Pilkey: You are back in the 19th century.

Mr. Shulman: On a point of order, if I may. I would like to make it very clear that it was not the employee that was alleged to have made these statements, but the head of the civil service association.

Hon. Mr. MacNaughton: Mr. Chairman, I will apologize for not replying to the hon. member's letter. I can recite from a memorandum dated June 13, addressed to the secretary of the Treasury board who probably was processing the letter and case referred to by the hon. member before it reached me.

Without reading it all, the memorandum states: "This employment was terminated on August 31, 1967, when The Department of Health declined to give further extension to his probationary period." This is their perfect right.

As I have explained before, the purpose of a probationary period is just this. This man was not a full-fledged public service member in that sense of the word. He was a probationer, and now—

Mr. Shulman: This was not the matter that I was raising tonight.

Hon. Mr. MacNaughton: Here is a section from the report of the grievance committee: "Nevertheless, the board has also held the opinion that, unless there has been explicit commitment to the contrary, it is inherent in the concept of probation that either party may terminate the employment at the end of the probationary period, or even during the initial period, without having to account for its action, or having the power to protest effectively."

This is implicit in the whole procedure of the probationary period. I do not know if the hon. member for Oshawa can tell me, but I expect that they have probation in the regulations of which he has had some experience.

Mr. Shulman: Mr. Chairman, when I started out I said that I was not going to raise that particular issue. What I asked the Minister to investigate was not the firing of Mr. Greene, which we went into earlier in the session. What I asked him to investigate are the matters that apparently, or allegedly, occurred at the interview with Mr. Bowen.

That is what this letter was all about. Does the Minister not have my letter with him?

Hon. Mr. MacNaughton: Mr. Chairman, I cannot comment on any exchange of conversation, or words that took place between Mr. Greene and Mr. Bowen. That is not my place. I would not comment on it in this House, nor would I comment on it by letter.

I do not know that the place to get this information is anywhere but from Mr. Bowen, I suggest.

Mr. Shulman: Mr. Chairman, if the Minister is not going to comment on it, then may I suggest that there are two people whose statements concurred—I asked the Minister to look into this. Apparently he does not feel that he should look into this, and it is a very serious matter.

Whenever a member of this Legislature brings up a matter here and the head of the civil service association says that, because the Opposition brought this up in the House your chances are nil on getting back, then I think that the Minister is wrong if he does not think that this is worth looking into. Does the Minister not feel that this is worth looking into?

Hon. Mr. MacNaughton: Mr. Chairman, I do not know whether the hon. member for High Park is confused or not, but Mr. Bowen is the secretary and general manager of the civil service association.

Whatever transpired between Greene and Bowen, is, as far as I am concerned, their business. At this point, as far as I am concerned, it is nothing but hearsay. I do not doubt the member's comments, but his reference relates to hearsay as well. I think that is all I have to say on that subject.

Mr. Chairman: Vote 301. The member for Yorkview.

Mr. F. Young (Yorkview): Could I ask the Minister, then—I think what he says is correct, after all he cannot say what is in the mind of another person. The impression that is given here is that, because an Opposition member brought up a certain man's job in the Legislature, the government would not reinstate him.

I think all the Minister needs to say here is that this attitude on the part of Mr. Bowen is incorrect, That this would not—the very fact that an Opposition member may raise a case like this—will not place that job in jeopardy because of that fact.

Hon. J. P. Robarts (Prime Minister): You do not believe that?

Mr. Chairman: The member for Parkdale.

Mr. J. B. Trotter (Parkdale): Mr. Chairman, I just want to make a few brief remarks on the number of employees that the government has on the payroll, and to question whether or not the government has any overall policy in trying to assess the value in the rapid expansion we have in hiring people.

There have been comparisons made with large firms in the private sector with the rate that they hire people to do their work, and the rate that governments hire people. I realize that there is a difference in the work that government does, and the type of work that private business does, but to give you an example, and not to spend a lot of time comparing government with various industries, I just want to give you one example to show you the trend of thought I have.

The American Shell Oil Company, back in 1958, had just over 38,000 employees. That was about the same number of employees that the government of Ontario had about that time, or shortly after. In 1967 the Shell Oil Company did 2.5 times the amount of business and it had 300 fewer employees. When I compare this example with what goes on in the province of Ontario, I feel that it would be worthwhile for government to take a hard look at how they employ people and whether or not they are getting the best value for our dollar. For example, in 1958 we had slightly over 27,000 employees. It has almost doubled in ten years. We have over 50,000 now, and I rather question if this it at all necessary.

I realize that we are spending far more money than we were in the past but, at the same time, so much of the increased cost of government has been through our grants. For example, in about four years our grants to the universities have increased nearly five times. Yet you can spend hundreds of millions of dollars through grants to universities and I think you only have 69 employees. Admittedly, the spending of that money does not result in increased employment, but I was wondering if the government has any immediate plans on how to assess their hiring schemes.

I know that a few years ago—probably about three years ago—an extensive investigation was made by a private consulting firm as to the classification of the employees of the government. But I think the government really needs a consulting firm to take a look at how efficient are we in the use of our manpower.

We have to bear in mind that, despite all the changes that have taken place in the quarter of a century the present government has been in power, that government employees have increased by approximately 430 per cent. It is a tremendous expansion and we may say, "Yes, we are spending more

money—we are supplying more services." Yes, when you look at private corporations, they too have been expanding at a tremendous rate. I singled out the American Shell Oil, not because it was the only one, but because they had approximately the same number of employees ten years ago as did the province of Ontario.

I cannot help but ask myself why is it that government seems to need a tremendous amount of manpower despite the fact that we, too, are now using IBM machines. We are using the computers that normally lessen the requirements for manpower.

I would like to hear from the Minister whether or not there is any possibility that they would retain a consulting firm to take a good look at our employment policies.

Hon. Mr. MacNaughton: Mr. Chairman, the areas of control in respect of the civil service are largely vested with the Treasury board. However, it may be appropriate to discuss it here.

The control is at the approved complement level. Treasury board—and I am maybe being out of order a little bit here, but I cannot explain it any other way, Mr. Chairman. I do not know what the figure will be for the current year. A year ago, I do recall—and I think I mentioned to this House last year—in response to the requests for approval complement by the various departments, Treasury board in the course of approvals reduced the combined figure requested by something like, I think, 2,200. So there is an element of continuing control in this field.

Increases in staff are altogether related to new programmes. Most of them appear in The Department of Health or Department of Highways, although I can say The Department of Highways have instituted some new maintenance control measures that have substantially reduced staff.

You will hear, on the one hand, from one of your colleagues, that we have hired people. We do reduce staff where it is in the interests of economy and efficiency, and we get criticized if we lay anybody off. We get criticized if we fire anybody, or dismiss anybody, or eliminate a redundant job classification. On the other hand, we get criticized because we are engaging too many.

This matter is under constant review. It is dealt with at the time the estimates are presented to the Treasury board. The complement requests are considered there, and the reductions are given effect to at that time. Then, during the year, if the complement needs some adjustment, Treasury board receives requests for Treasury board orders approving increased complements.

So it is kept under review on a weekly basis, I would say, but it is growing. It is bound to grow in a growing jurisdiction, notwithstanding the fact we do provide many control measures.

I am convinced, Mr. Chairman, that the staff of Treasury board, the staff of the civil service commission, and the staff of the departments themselves, having some knowledge of what Treasury boards expect of them, provide all the control measures we need without an outside agency.

Mr. Trotter: Mr. Chairman, I think it is only human that a major civil servant who has a lot of influence with one particular department is going to be anxious to expand that department. It is the history of any particular organization, be it public or private—and these government departments have continued to grow like Topsy.

You look at the records and see it. In fact—I did not have a chance to see this book, I was going by other figures and by your annual report in 1967—it is even worse than I had expected. It has grown faster. I was going to say that you had approximately 48,000 employees; you are now at 50,500.

So that it seems that, once a department is formed, or once a department starts a particular operation, it is never cut back. Often a private corporation will have a reassessment of its policies in the different plants it has, and sometimes it is cut off when it does not fulfill the services it is meant to do. Government never seems to do this, and this is why we seem to be employing more and more people all the time. I feel that the government just does not have the controls on this, and you just have to look at the results.

Hon. Mr. MacNaughton. Mr. Chairman, I am just going to suggest to the member, if I may: I ask him to conceive, if he will, how we can continue with what might be appropriately referred to as programmes for people—programmes for people that are constantly asked for by the Opposition. What happens when we build a new Ontario hospital—and we have built many of them? What happens when we move into the field of health insurance—

Mr. Trotter: When have you built a new provincial hospital?

Hon. Mr. MacNaughton: How can he expect anything but growth in the service in a growing jurisdiction?

Mr. Trotter: What year did you build your last provincial hospital?

Hon. Mr. Robarts: I opened one at Kirkland Lake about two weeks ago and a new one in London.

An hon. member: Sure, a brand new one.

Mr. Trotter: How many employed?

Hon. Mr. Robarts: There are 300 employees.

Mr. Trotter: Yes, and Goderich about six years ago.

Mr. H. Peacock (Windsor West): Mr. Chairman, I want to ask for your advice as to whether to raise or not to raise, the question of the handling of salaries for jail employees transferred to the civil service at the beginning of the year under vote 301 or 302. I think probably vote 301.

What I want to find out from the Provincial Treasurer, Mr. Chairman, is whether or not the province recognized wage increases due in 1968 under terms of collective bargaining agreements reached between these jail employees and their municipal employers following the take-over.

I wrote to the Minister of Reform Institutions in April of this year in respect to increases negotiated by Essex county jail employees prior to the take-over on January 1. The Minister's answer at that time left me still in the dark as to whether those negotiated increases were going to be implemented in 1968 beacuse he spoke of raising wage levels where they were lower than the provincial classification wage level. And he spoke, in his reply of April 11 to me, of continuing to award merit increases until they reached the maximum rate in the municipality, even where that was greater than the maximum for comparable civil service classifications. Neither of those areas, Mr. Chairman, cover the proposition of a straight across the board wage increase on top of what the employees were already getting. I know that there were employees in the Essex county jail looking forward to across the board increases in 1968, not just being raised from a rate under the municipality of Essex county up to the rate for the same classification in the provincial service; and not being continued through a progression to the maximum rate under the collective agreement they signed with the municipality prior to the take-over; but actually receiving the lump sum across the board wage increase which they had negotiated for various classifications.

Hon. Mr. MacNaughton: Well, Mr. Chairman, our own classifications for jail employees are presently under arbitration. It may very well be that the arbitration award will be so close to the situation that may well have developed at Windsor, that there will be little or no material difference. But we will have to wait for that arbitration award to see.

The city of Hamilton had a similar situation and they undertook to remunerate their own employees because they had a separate agreement, very similar to the situation that prevails in Windsor. It is an association, I believe, in Windsor, is it not?

So, the city of Hamilton elected to remunerate those employees who had negotiated certain things in their employee group before coming into the public service; and then they moved into the public service at the scales and rates of pay according to their various classifications.

Now, I can only repeat that we shall have to await the arbitration award, under any circumstances, and at that point, I have very grave doubts as to whether we will be far enough apart to make it a difficult situation.

Mr. Peacock: Mr. Chairman, am I not correct, though, in saying that the arbitration award will recommend increases effective as of the beginning of the second year of the provincial take-over? It will not affect this initial period of the take-over during which, as I believe to be the case, employees in the Essex county jail would have been due such across the board wage increases as they had negotiated under the prior collective agreement between themselves and the county.

Hon. Mr. MacNaughton: Well that is understood, that these people became public servants as of January 1 and they will be entitled to whatever the arbitration award has made.

Mr. Peacock: Back to January 1?

Hon. Mr. MacNaughton: As of January 1, yes.

Vote 301 agreed to.

On vote 302:

Mr. Pilkey: On vote 302: I do not know if I got the remarks correctly from the Minister. He said, I believe, that it was a 40 per cent increase.

Hon. Mr. MacNaughton: Approximately, yes.

Mr. Pilkey: It was a 40 per cent increase in wages?

Hon. Mr. MacNaughton: The average wage.

Mr. Pilkey: And it went to $5,000?

Hon. Mr. MacNaughton: Yes, and I have the figures here yet, I think. Just a moment. As a matter of fact, it is in the annual report. Average salary at December 31, 1965, $5,865. Now that is an increase in the average scale of remuneration in a four-year period.

Mr. Peacock: Not 1965?

Hon. Mr. MacNaughton: No, this is in 1967. And in a four-year period that average has risen from something like $4,400, which I call awfully close to 40 per cent.

Mr. Pilkey: Well, the only comment I wanted to make was—and I have not figured this out actuarily—that it appears to me that about 71 per cent of the employees of this province fall in the lesser category—71 per cent.

Now, if my mathematics are correct, on the basis of this percentage, distribution of civil service staff by salary ranges; 10 per cent are under $3,500, 18 per cent are in the range $3,500 to $3,999; 20 per cent in the next range, 10 per cent in the next and 18 per cent in the next; which means that over and above this average, there is only 29 per cent of the whole service in that category. I would not think, just because it went up 40 per cent, that this was saying too much in terms of salaries that this province pays.

Mr. Peacock: Mr. Chairman, with respect to those figures. Some reference was made earlier to collective bargaining. I do not want to get into a collective bargaining situation with the Provincial Treasurer but could I ask him if these figures are presented on the basis of the total payroll of the province divided by the total number of employees, or are they the actual straight time earnings of the employees on the provincial payroll, exclusive of the fringe benefit costs and any overtime that might have been paid?

Hon. Mr. MacNaughton: Yes. That is right. That is what they are.

Mr. Chairman: Vote 302?

Mr. Gisborn: Mr. Chairman, I would like this clarification. It is more or less in the area of principle—the miserable type of wage is an established fact and I do not think we can do anything about that at this point—and is about the group of cleaners in the building, under The Department of Public Works. I raised this question under the Public Works estimates, and I did not pursue it with that Minister because it does comes under this department. I am talking about the cleaners in this building who work for Public Works but come under civil service classifications. I understand this was raised briefly by the member for Oshawa. The rates for the male cleaners, I understand, range from $1.94 to $2.07, in that area.

Hon. Mr. MacNaughton: Mr. Chairman, that class is under arbitration now.

Mr. Gisborn: Well all right. If it is under arbitration, there should be heavy criticism of your department due to the fact that they have been negotiating since January 1, and we are now past six months, to decide the lowest rate in the department. It is inexcusable. But that is not the question I want to raise.

It is inexcusable that you take six months to decide on what kind of an increase you are going to give those in the lowest rate areas. You are going to give them a raise from $1.94 for male cleaners, but it is the female cleaners I want to talk about. I understand they get $1.69 at the present time. Their rates are in negotiations that started in January, and they are not completed yet. They work, I understand, five hours a day, so they get $8.45.

I made the appeal to the Minister of Public Works to use his influence to try to at least give them a $10 bill for coming down here and putting in their five-hour stint. But the question is, and I want the opinion of the Minister of this department, of the civil service, as to the equal-pay policy of the government. I understand that the males and the females in the cleaning groups do the same work. I have observed them, as I said the other night, doing their cleaning. Both the male and female use mops out of the pail and mop the floors, but there is a difference in their pay of a substantial amount, some 40 cents. Now what is the approach of the department in regard to equal pay for equal work?

Hon. Mr. MacNaughton: Well, Mr. Chairman, there is a difference in their work. It may be that at intervals during the course of their daily employment they use mops and pails—most people that clean floors do, I

guess it is fair to say—but, also, there are heavy jobs involved that the men are obliged to do that the ladies cannot perform. So there is this differential. It is not, in the strict sense, equal pay for equal work because there are jobs such as carting out large containers of refuse, all these manner of things, these jobs are assigned to the men, not the women. There is a distinct difference. Now I am not as familiar with this entire situation as would be the Minister of Public Works, but of this much I am sure, that there is a distinction in the nature of the work.

Mr. Chairman: Vote 302. The member for Essex-Kent.

Mr. R. F. Ruston (Essex-Kent): Mr. Chairman, I wish to discuss a little wage classifications, and so forth, in 302. I think the hon. Minister mentioned that comparable remuneration was made—that the province of Ontario paid comparable wages to other industry—and I think maybe that this is not quite correct, at least in some areas.

I look at truck driver operator (1) for The Department of Highways, hourly rate $2.23. I think in some parts of the province, where wage scales differ, of course, and especially maybe in our own area, townships, counties road men who drive similar vehicles have a wage scale which runs from $2.40 to $3.25 per hour. At the same time the provincial government subsidizes 50 per cent of these wages, so they are subsidizing wages considerably higher than what they pay themselves. They subsidize them to the point of 50 per cent. I do not think that this is quite cricket.

I see grader operator, $2.41. In some areas they are as high as $3.40 under contract. There again they are subsidized 50 per cent by the province, so there is some variance there.

I think the main problem with most civil servants and the government is the long time it takes from the time they start negotiation of wages until some kind of a settlement is made. I think there is too much indifference on the part of the government. They have a lot of employees and I think that they should take a different attitude with regard to this, because employees seem to lost interest in their job—they feel the employers are not taking an interest in them, as I think the hon. member for Kent mentioned a while ago.

I believe that there are one or two areas that we could improve considerably, with regard to the employees of the province, and that is wage classification nearer to what industry pays, and also a much better effort made with regard to negotiation of wage scales.

Hon. Mr. MacNaughton: Mr. Chairman, just one comment. The truck driver (1) referred to by the hon. member is part of a classification that is also under arbtitration.

Reference has been made by the hon. member before the length of time it takes for negotiations to succeed or, if time is required, for the arbitration award to be made. These are procedures, incidentally, that are all agreed to by the association and the government.

Mr. Gisborn: What would happen if they did not agree?

Hon. Mr. MacNaughton: Again, Mr. Chairman, I am replying to the hon. member for Essex-Kent.

Mr. Sopha: Do not be so touchy.

Hon. Mr. MacNaughton: No, no; because I think he wants to hear me again.

For the information of the hon. member, the cyclical review and the negotiation process is on a two-year cycle. Every two years certain classifications come up for review. Both sides meet and attempt to negotiate what appears to be a satisfactory offer. If a satisfactory agreement cannot be reached and the intervention of joint council does not accomplish it, then the right to arbitration is the next step—or mediation, in this sense.

This process takes time. On the other hand, nobody loses in the long run. They may be out of pocket the increase for a period of time, but when the negotiation is effected, or a settlement is reached by mediation, or an abritration award is handed down, it is retroactive to the date upon which the class came under review.

I can only suggest to you that we have no trouble hiring truck drivers. For every vacancy for a truck driver where I live—and it is very similar in the part of the country you live—I can fill that job 20 times overnight, so it is really not that bad.

I think any hon. member living in a riding where there is an opportunity to place an employee on the staff of The Department of Highways, either at the district level or at the patrol level, is anxious to find these opportunities.

Mr. Chairman: Vote 302. The member for Thunder Bay.

Mr. Stokes: Mr. Chairman, I would like to confirm a statement made by the hon. member for Oshawa a little while ago that all was not well within the ranks of the civil service association. I would like to read into the record a letter I received from one of my constituents, who happens to be an employee of The Department of Highways.

It is addressed to the civil service association of Ontario, attention Mr. Harold Bowen, general manager:

Dear Sir:

Please inform me as to what progress, if any, has been made in the pending classification and wage adjustments within the supply position of The Department of Highways.

I understand that there is considerable dissatisfaction within this group, particularly in regard to the clerk (2) supply. There is every justification for this dissatisfaction. I am included in this group, and I am very downcast and disillusioned toward the CSAO. The association showed very clearly its disregard for the workers in the lower income brackets when it adopted and instituted a percentage raise system whereby, for example, a 20 per cent increase—a man who earns $15,000 per year would get a raise of $3,000 and a man who earns $4,000 a year would only get an increase of $800. Please consider that both men pay the same for a loaf of bread.

To the man who earns $15,000 a year this raise is only a matter of prestige, but to the man earning $4,000 it is a matter of survival, and survival should have priority over prestige—$1,000 across the board should be $1,000 across the board for all, not $3,000 for some, and only a token for others.

Understandably, men who have greater individual ability and more responsibility should be paid more, but the wages should begin from a basic wage that is well within the cost of living and from there increased according to your classification, but it should not be allowed, as at present, to balloon way out of proportion.

As our paid general manager I am sure you are getting a very comfortable salary, and I challenge you to subsist on my take-home pay of $14.20 per day, supporting a wife, paying rent, and so on, and still maintain your dignity.

I am sure now that this has been brought to the attention of the CSAO. The CSAO will bring this more forcibly before our employers, if the CSAO is any good. Also I am sure that the CUPE or some other union would gladly offer assistance to the CSAO if they sought this assistance, and they have been through this already.

Respectfully yours.

So you can see, Mr. Chairman, that all is not well. If the Minister and the members of the CSAO feel that a man can live on $14.20 for five days a week, I think that he had better consider his remarks again.

Hon. Mr. MacNaughton: Mr. Chairman, to some extent it is not really appropriate to comment on this. These are all matters on which negotiation processes have been established by agreement. Within that negotiation framework, I would suggest, is the place for determination of the classes that he referred to, and which are under arbitration.

I begin to wonder whether my friends in the NDP are in support of the CSAO, or whether they are trying to undermine and destroy it.

Mr. Sopha: They have not said yet.

Hon. Mr. MacNaughton: No, they have not, but you would wonder from the comments.

Mr. Stokes: I would plead with you to insist upon them coming into the 20th century and paying a decent wage.

Hon. Mr. MacNaughton: Mr. Chairman, in the strict sense of the word, the hon. member's remarks are out of order.

Mr. Gisborn: Your smear tactics are also out of order.

Hon. Mr. MacNaughton: My smear tactics are nothing to the innuendo that you are very, very capable of dealing with.

Interjections by hon. members.

Mr. Gisborn: I challenge the Minister to check *Hansard* tomorrow, and see if he finds any indication we are not in favour of the civil service association, and I made it very clear in my opening remarks. It is a smear attack you are making.

Mr. Chairman: Order!

Votes 302 and 303 agreed to.

On vote 304:

Mr. R. H. Knight (Port Arthur): Je suis certain que mes compagnons dans la Partie Liberale me joignent en offrant sincere

compliments au gouvernement pour ses efforts a mieux servir ceux de langue française dans cette province. Certainement cette programme d'enseignement pour ceux dans la service publique prouvera à nos canadiens français notre bonne volonté et bientôt leur servira directement.

Cette decision à introduire le français au service publique a pris du courage and de la clairvoyance, au partie du gouvernement.

Cependant je trouve que c'est mon devoir à cautionné les deputés honorable de cette assemblée, et le gouvernement des dangers qui accompagneront cette programme. Le danger le plus serieux, c'est que les bilingues devienne les privilegés de Queen's Park, et ce sera un domage, ça causeraient du rancune parmi ceux qui ne sont pas capable d'apprendre le français, au moment travaillant dans le province, nous avons parmis nos employees de la service publique un esprit de corps et de bonne humeur qu'ons ne voit pars partout; mais separer ceux qui parle les deux langues de ceux qui parlent seulement une langue; et élevé les bilingue a une place privilegé de point de vue d'autorité et d'argent, et ça sera pas long, cette bonne esprit de corps deviendra quelque chose du passé.

Ce qu'on faut se demander maintenant est: "Est-ce-que ceux qui ont servi l'Ontario depuis beaucoup d'année, souffriront-ils si ils ne sont pas capable à apprendre le français? Est-ce-que les bilingues d'épasseront ces employées loyales simplement parce qu'ils n'ont pas été capable d'apprendre une deuxième langue?

C'est maintenant qu'il faut y penser. Il faut devra faire bien attention de ne pas d'étrire ce que nous avons en essaient à faire quelque chose de bons. Ces la manirère qu'on introduit le français qui va déterminer les résultats. Je crois que cette département devrait consulté sérieusement avec les représentent des employées du service publique avant d'allée plus loins.

A Ottawa, au gouvernement federal je crois qu'ons paye les biligues plus que ceux d'une langue, et ça cause beaucoups de rancune. Si le gouvernement d'Ontario fait le même chose ici à Toronto je vous promais que le bonne esprit que nous voyons ici parmi les employées ne durera pas.

Alors j'espère que le ministre a bien écoute mes mots. N'oubliez pas ça toujours été ce de langue française qui ont été capable d'apprendre l'anglais, et non pas l'opposé, et si ça c'est vraie nous voyerons de plus en plus de personnes français ici à Queen's Park, et si ils sont donne les meilleurs positions, simplement parce qu'ils sont bilingue, ça causera une division sérieuse entre les bilingues, et ceux de langue anglaise.

Alors monsieur le président, et par vous au ministre, faites bien attention à introduir cette programme de la meilleur manière possible, et, d'une manière qui ne detruire pas ce que nous avons, et qui fera un succès de cette idée.

I wonder if the hon. Minister would comment on that?

Hon. Mr. MacNaughton: By all means.

Mr. Chairman, I just say to you that the three gentlemen seated before me all say that they can speak French, but I regret that I cannot. I admire the hon. member's facility with French, and perhaps he would be kind enough to tell me what he said?

Mr. Knight: I hope that the exercise that we have just had will serve to point out just how difficult and complicated the process that we are launching into will be.

What I said, I say very seriously. The point that I was trying to make was that I thought that my hon. colleagues in the Liberal benches, here, would join me in complimenting the government in moving ahead with courage and far-sightedness in trying to make the residents of the French language more comfortable in this province.

I said also that I thought that there were some dangers, and I thought that it was time to sound a warning note before we go too far. We have, as far as I am concerned, a wonderful spirit among the civil servants, and the many friends up in the north who work for the government have a great spirit. I have found it here, around Queen's Park. It is sort of bubbly, a good *esprit de corps*. However, when we introduce bilingualism, the danger we encounter is that we might elevate those that are bilingual to a position of privilege, as I think has happened in some cases in the federal service in Ottawa. This is the danger, that, people who have served the people of this province for many years may suddenly find that they cannot keep pace with the younger ones; cannot command a second language; and thus the younger ones will possibly be placed in a position of authority over them, and may even make more money.

The light that we have to shed on this point is that in the past, we have found that it has almost always been those of French

origin—the English who have been able to learn French. One can envision that as this plan unfolds, you will have more and more employees in the civil service of French extraction. What I am afraid of is that a certain amount of resentment may come from this. It is really a far more complicated programme than we envision at this point, and I would hope—and I certainly commend the Minister and department for this programme—but I hope that you will take my words very seriously. Let us hope that those who have served here for many years do not suffer; and in trying to do something that is very good, we do not destroy the wonderful spirit that we have.

The one other thing that I mentioned—I am not speaking in the sequence of the remarks but the gist of the ideas are here—I thought that, perhaps, the department officials should speak with the representatives of the civil service about this possible problem so that if there is continuous liaison in the implementation of this programme, we will have a chance of putting it into effect without falling into the pitfalls I have mentioned.

Hon. Mr. MacNaughton: Mr. Chairman, I just wanted to make one comment and say I think the hon. member's remarks and observations were very sensible. I am sure we will be able, as we gradually introduce the French language into the civil service, to find the happy balance that is required to make it work. But I just simply want to say his remarks were well taken and we will consider them.

Mr. Stokes: Mr. Chairman, does the money in this vote reflect the amount of money that is being spent on the classes for the members?

Mr. Chairman: This is just for the civil service.

Mr. Stokes: Not for the members?

Mr. Chairman: Does it include the—

Hon. Mr. MacNaughton: Yes, that is right, it includes the members.

Mr. Stokes: Well, I think it would be quite in order for me then, Mr. Chairman, at this time, due to the fact I have availed myself of the opportunity of taking the French classes, to congratulate the Minister or whoever is responsible for having set them up. I think we are well on the way to becoming bilingual, and by the time we are finished the course of 32 lessons—

Hon. Mr. Grossman: Well I am on the way to becoming trilingual.

Mr. Stokes: By the time we are finished the course of 32 lessons, I am sure we will all have thought it was a worthwhile exercise. I would also like to congratulate whoever was responsible for setting up the lunches so that we did not have to unduly waste time—

Interjections by hon. members.

Mr. Stokes: No, I sincerely mean this. It avoided a lot of delay and allowed us to pay much more attention to the French classes, and I would just like to say on behalf of this group anyway, thank you very much.

Mr. Chairman: Can the member provide evidence that he has been at the classes?

Mr. Stokes: Je parle Français un peu, aussi.

Votes 304 to 307, inclusive, agreed to.

On Vote 308:

Mr. Pilkey: In vote 308, I said during my initial remarks that it was my understanding that no meaningful negotiations took place between the Ontario joint council and I said that most of the unsettled items in dispute were referred to arbitration, I also asked at that point if my remarks were not correct then what had been settled recently at the joint council in regard to collective bargaining?

Hon. Mr. MacNaughton: Mr. Chairman, I am informed that the last two have gone to arbitration. I may get some information on the other. The member's question was how many were settled in joint council without going to arbitration?

Mr. Pilkey: What have they settled recently?

Hon. Mr. MacNaughton: What have they settled? Salary settlements negotiated 1966 to 1968 by direct negotiation, there were four occupational categories; by mediation, one occupational category; by arbitration, four occupational categories; and at joint council, one occupational category.

Mr. Pilkey: Mr. Chairman, let me follow up with another question. In this regard the joint council, as I understand it, is set up under The Public Service Act. Now, notwithstanding the items that have been referred to Judge Little, has the government given any consideration of recognizing other organizations. I particularly mention the united government workers of Ontario, which is now

estimated to have something like 2000 members. I use that as an estimate, I do not know exactly what the membership is. Is the government prepared to give them any recognition?

Mr. Chairman: I hardly think that point would come under vote 308.

Mr. Pilkey: Well, it is the joint council. They are the people who have recognition under vote 308 and I just wanted to know if the Minister is prepared to expand on that.

Hon. Mr. MacNaughton: The answer is no. The united government workers of Ontario has no status under The Public Service Act at the moment. Whether they will have or what Judge Little will recommend only the judge at this moment knows. I cannot comment on that and I do not think I should. But as at the moment the answer is no.

Vote 308 to 310, inclusive, agreed to.

Mr. Chairman: This completes the estimates of The Department of Civil Service.

Hon. Mr. Robarts moves that the committee of supply rise and report it has come to certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, there are only two bills left on the order paper and they will be in committee of the whole. We are going to deal with those and then perhaps give them third reading, which will clear all the legislation from the order paper at long last.

Then I would like to proceed with the Budget debate. There are some members who want to take part in that debate and we will let that routine run until we see how many speak and for how long.

That will leave, then, the estimates of The Department of Financial and Commercial Affairs, the Lieutenant-Governor, my own estimates and the Provincial Auditor, which we will deal with. Not necessarily in that order, but as we reach them.

Then, of course, there still remains to be dealt with the report of the workmen's compensation board.

I cannot really give any accurate times as to when these items will be called, because we are approaching the end, but in any event as the day progresses I will give all the notice that I can.

There is a resolution dealing with the use of the French language in this Legislature and that, too, will be called. I should think that will probably come on Friday or Monday, depending upon the speed with which we move tomorrow or the speed with which we do not move.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:10 o'clock, p.m.

No. 156

ONTARIO

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First Session of the Twenty-Eighth Legislature

Thursday, July 18, 1968

Morning Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JULY 18, 1968

The House met at 10:00 o'clock a.m

Prayers.

Mr. Speaker: Later today we are to have as visitors in the east gallery, under the aegis of The Department of Education, a political group who are with the department at the moment. I am sure that when they come they will be interested to see the proceedings of this House, in this hot and humid atmosphere, which by this afternoon should be even better than it is now.

Petitions.

Presenting reports.

Mr. J. B. Trotter (Parkdale): Mr. Speaker, I beg leave to present the report of the standing committee on public accounts.

Mr. Speaker: Motions.

Introduction of bills.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, there was a question addressed to me by the hon. member for Yorkview (Mr. Young) yesterday about the licensing of music teachers. I have now checked back through the file and I find that I received a letter from Mr. Mauro which I referred to The Department of Education and The Department of Labour for examination as to all the elements involved. Then it turned out that there had been requests to the government from other organizations interested in the teaching of music, concerning licensing. The position and the information required by the two departments involved has not yet been completely assembled.

I acknowledged Mr. Mauro's letter and I rather thought that an acknowledgement might have gone from one of the other departments to him; it did go to some of the other organizations that were enquiring.

However, in the meantime, Mr. Mauro has been contacted and informed of what the situation is to date, so I think the situation is in order as far as Mr. Mauro is concerned.

Mr. Speaker: The member for Peterborough has a question of the Minister of Trade and Development from the other day.

Mr. W. G. Pitman (Peterborough): Yes, Mr. Speaker, I wonder if I could address the question to the Minister of Trade and Development?

Did the Firestone Tire and Rubber Company receive any grant or grants from the Minister's department prior to the transfer of that company's operations from Hamilton to Lindsay? If so, what was the total amount of moneys paid to the company?

Hon. S. J. Randall (Minister of Trade and Development): The answer, Mr. Speaker, is "no." We had no grant system available when Firestone went in there in 1965, but it was a federally designated area at that time so they could have got a federal grant.

Mr. Speaker: The member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Speaker, I have a question for the Minister of Trade and Development.

Are regular inspections made of Ontario housing corporation properties to ensure that fire alarm systems and sprinkler systems are maintained in good working order?

If so, who inspects the premises; the fire department or the OHC? How often are these inspections carried out?

Hon. Mr. Randall: Mr. Speaker, in answer to the hon. member's question, regular inspections are carried out in every OHC building which has a fire alarm system. Under an arrangement between OHC and the fire prevention bureau of the metropolitan fire department, the fire department carries out regular inspections of OHC properties. In addition, OHC maintenance staff carry out a complete inspection at least once a year. In those buildings where there is an electrically controlled fire alarm system, inspection and servicing is carried out on a twice yearly basis by private firms specializing in this type of work.

I would like to advise the hon. members that the fire alarm system of 14 Raydak Drive, where a fire occurred on July 15 was inspected yesterday morning by Dominion Fire and Burglary Alarm Limited and was found to be operational. The firm also determined that the battery-operated standby power system

for the fire alarm was also fully operational. A check carried out by OHC maintenance staff on June 10 of the water standpipe systems showed the water valve to be in an open position.

Following the fire, the valve was found to be closed and an investigation into this is underway. Valves to all water standpipes in OHC properties have now been padlocked in an open position to ensure that no standpipe valve can be inadvertently closed.

At the time of the fire it was reported that property damage amounted to $13,000. It has since been estimated that the damage amounted to approximately $1,700.

Now, Mr. Speaker, when our people found out that this valve had been turned off, we also made an enquiry and found that the superintendent had turned it or somebody in the building, perhaps not the superintendent, had turned it but there was a false alarm on July 2, and somebody apparently must have gone down and turned it off. That valve is in the boiler room which is locked. So it must have been one of the staff members. Now we are working with Dominion Fire and Burglary to find out if there is a system that can automatically notify them if the alarm system has been turned off and left off.

I think one of the difficulties in these multiple family buildings, is the fact that there are youngsters running around. The ringing of the fire alarm system is almost a daily occurrence in many areas and, I suppose, the superintendent of the building sometimes, like perhaps the rest of us, would turn it off. If he inadvertently forgot to turn it back on, that is what could have happened up there. But we are investigating it further, and we would like to find some way of knowing when the alarm is turned off and for how long.

So that is the situation at the moment.

Mr. Deans: May I ask a supplementary question? It is more a comment really.

Will you instruct all of the superintendents in the OHC buildings not to touch the fire alarm systems? They are of no value if they are going to be shut off.

Hon. Mr. Randall: Yes, I think you are quite right. As far as we are concerned, we want to make sure the tenants and the property are protected but I was talking to a gentleman who works with me, who lives in a very deluxe apartment here, not half a mile from this building, and he said that their tenants, if they listen to the fire alarm system, would be out on the street about once a day. For some reason or other, the fire alarm system keeps going off and nothing happens.

Now I have had that in my apartment also, but I think in this case here it may be human error and we are checking it out.

Mr. Deans: It is better to be out on the street once each day than to die in a fire.

Mr. Speaker: The member for Rainy River.

Mr. T. P. Reid (Rainy River): Mr. Speaker, I have a question for the Minister of Labour. When will the Minister inform the pulp and sulphite union No. 92 and the Boise Cascade Company, both located in Fort Frances, of the contents of the conciliation officer's report, made some seven weeks ago?

What is the reason for the long delay in making the conciliation officer's report known? Is it departmental policy to withhold conciliation officer or conciliation board reports for this length of time?

Hon. D. A. Bales (Minister of Labour): Mr. Speaker, in reply to the questions from the hon. member, the department sent the report to the union and the company on July 15 by mail, and it should be in their hands by this time.

In the circumstances, I do not think it is reasonable to say that there was a delay, because the report was not sent out. A conciliation officer was trying to be of assistance to the parties to reach an agreement and I can tell you that, in reference to the third part of the question, that it is not department policy to withhold conciliation officer or board reports. We send them out as soon as possible under the circumstances.

Mr. T. P. Reid: Will the Minister accept a supplementary question? Does it not seem overly long to you, sir, over seven weeks, before either the company or the union received any word from the department at all?

Hon. Mr. Bales: I think that there were communications in various ways and as you were well aware, there are a number of strikes and disagreements in the pulp and paper industry—and this I mentioned in a question some several weeks ago. There were some 150 agreements involved in all.

Mr. Speaker: The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Mr. Speaker, I have a question for the Minister

of Lands and Forests. Is the department satisfied that the spraying programme in northwestern Ontario conducted last month to halt the budworm infestation, was a success.

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, in replying to the hon. member for Thunder Bay, the coverage of the 250,000 acre budworm infested area near Shebandowan by the spray aircraft was considered quite successful. This spraying was completed on June 27. The results of the chemicals are now being determined by insect rangers and students who are making a mortality count on the budworms in the area. This work has just got under way. It will be completed in about two weeks.

This survey did not start sooner because of the delayed action of the chemical on the insects. Final determination as to whether the level of the infestation has been controlled hinges on the information that will be obtained in October on the count of eggs hatched by any surviving insects.

Mr. Speaker: The member for Downsview.

Mr. V. M. Singer (Downsview): Mr. Speaker, I rise on a point of order. On Monday evening last, while the House was in committee of the whole debating the reports of the liquor control board of Ontario, and the liquor licence board of Ontario, the hon. member for Humber (Mr. Ben), during the course of his remarks, made a certain comment that I think was highly unfortunate and lends itself to a most unsavoury interpretation. I did not make any comments in connection with that point at that time, sir, for two reasons.

First, I was not in the House when those remarks were made. I later came into the House and heard a part of the discussion, and I had hoped, and this is my second reason, that with a reasonable lapse of time, there could have and would have been an explanation, at least, of those remarks by that member.

Let me say, sir, that in my very strong opinion I do not think that in the records of this important body, there is any room for remarks, whether intended or not, that bring at least to the minds of those persons affected, opprobrium because of either their racial or religious background. I would have hoped that the sort of joke that finds its merit—so called—in an attack on a minority group, passed out of the scene of public discussion together with the buggy-whip.

I want to say, sir, as strongly as I can, that I dissociate myself with that kind of remark, I would hope that the annals of this Legislature will not henceforth show the sort of remark that could be interpreted by those who apparently are the butt of it, as being a substantial indication of a feeling of intolerance or lack of understanding.

This remark has disturbed me very deeply, and has disturbed a great number of my constituents very deeply. I am sure that most members of the House will agree with me that occasionally, while remarks may be made in what appears to be good common sense, that if by any chance those remarks can be reasonably interpreted as casting an insult or equal sort of opprobrium on a religious or racial group, that they have no part in the proceedings of this Legislature.

Mr. Speaker: The member for Humber.

Mr. G. Ben (Humber): Mr. Speaker, since the remarks pertain to me, I can rise in rebuttal to what was said by the hon. member.

Mr. Speaker: I would hope for an explanation rather than a rebuttal.

Mr. Ben: Well, an explanation—I do not know whether it is an explanation or a rebuttal—we are playing with words here, though I imagine that you, yourself, Mr. Speaker, are entitled to certain interpretations.

There were not that many members in this House on Monday night when the remarks complained of were made. They were made between the hours—if my memory serves me correctly—somewhere between 10.15 p.m. and 10.25 p.m. The hon. member for Downsview, as he stated, was not in the House at the time the remarks were made.

But it is important to recall that although the hon. member had not been in the House to hear the remarks that I had made, when the hon. Minister of Correctional Services (Mr. Grossman) was chastising me, the hon. member for Downsview got up and said that he adopted the remarks made by the hon. Minister. In other words, without having heard the accusation made against me or even the evidence, he said: "Guilty". That disturbed me immensely.

The other thing that disturbed me, Mr. Speaker, is that both the Minister of Correctional Services and the hon. member for High Park (Mr. Shulman) stated that they both know me, and they know that I am

not anti-semitic, and I would not make anti-semitic remarks. Now these are the other two people, Mr. Speaker.

I said that one should not quote from these things—the prime versions of *Hansard*, the unexpurgated editions, but unfortunately the other edition will not be out until later. The fact is that the hon. Minister of Correctional Services did not get up and make any objection until some five or six or seven minutes after I had made my remarks. He said he picked that particular time, and he thought that was the appropriate time, and yet immediately after I made my remarks, the hon. Minister interjected, and I quote, "What a theory that is!"

In other words, if he found anything wrong with my remarks at the time, surely he should have spoken up. But there is another thing that is important, Mr. Speaker, and that is that I consider the members of this House to be honourable men. It is not important whether their race, their religious group or their association is slurred, libelled or slandered, and if such occurred, they would get up as honourable men and object to anybody being slandered. Yet not one hon. member who was present in this House made even a comment about it. I would choose to believe that they did not make a comment because there was nothing worthy of comment, rather than choose to believe that they are all dishonourable men and would not get up to defend the least individual group who is slandered.

Now, as I said, I was rather upset because nothing would have happened about this remark had the Minister of Correctional Services not risen. My remark, if I may put it in the vernacular of Yorkville, simply said that as far as I was concerned—"The Jewish people were too brainy to blow their bread on booze". It was a remark that was flattering their discretion in these matters.

That is one aspect of it. I refuse to apologize or withdraw because both the hon. Minister from St. Andrews, and the hon. member for High Park are quoted in *Hansard* that they would not believe I would make such a remark, nor am I anti-semitic.

As far as somebody else being able to interpret the remark, Mr. Speaker, when I was on city council and a man by the name of Jack Blanc got shot trying to stop a robbery in Metro, council awarded a $5,000 sum to his widow. The same item that awarded that $5,000 suggested setting up a fund to reward other citizens who come to the aid of the police.

At that time, I said it was a dangerous principle, because no citizen ought to take the law into his own hands and go running out onto the street with a gun. I pointed out that I belonged to the General Wingate branch of the Royal Canadian legion, which is a Jewish branch, named after a Jewish general; that I knew Jack Blanc personally; that I was in the colour party at his funeral, and that I made the first substantial contribution to the fund that was set up to look after his widow. But I did not think that it was right for any man to run out into the street and take the law into his own hands and be judge and executioner.

At that time, I was accused by a certain group in a Jewish community of being anti-semitic. I was on radio, Mr. Speaker, on an open-line programme – Larry Solway's programme – where they took me from pillar to post, I would say; where they accused me of being anti-semitic because I was Slovak, and everybody knew the Slovaks were anti-semites.

Now, I did not hear anybody phoning up and saying that is not right. It is a programme of free expression. Let them do it. I also point out there have been many statements made here in this House, Mr. Speaker, about certain groups—in innocence they were maligning lawyers, doctors and other groups. Nobody here has stood up and said, "withdraw", because one of the privileges of being a Canadian is being subject to a parliamentary system where we have certain privileges and if we believe certain remarks, we trust that we are saying the truth, then we are protected and we are privileged.

Now, I did not malign anybody. As I say, I thought I was saying it in a laudatory manner, that they just had the good sense not to blow their money on booze. But that is not the point. Even if I had been the type that would make some kind of a remark that could be misconstrued by somebody, if a person believes that remark to be true, then I say he is privileged to make that remark. In fact, it is his duty to speak that which is true; and it is the duty of the other members of this House to point out that he is wrong.

We have to be careful, Mr. Speaker, that we do not carry this thing too far. A person sent me a little clipping—it is very short:

> Except for time and expense, few, if any, campaigns can match the series of Shell ads. They were an endurance test in more ways than one. To demonstrate platformate, Shell's extra-mileage ingredient, the Ogilvy

> and Mather agency set up an endurance contest between cars containing Shell gasoline with their platformate additive and others without. Then they filmed the cars as they raced across the Bonneville salt flats; the platformate cars have always won. The films were two years in the making and cost them an estimated $300,000. Even so

—and this is where I charge you to listen, Mr. Speaker:

> one ad in a series had to be junked. Some Negro viewers, led by comedian Dick Gregory, complained that the film showing five white platformate cars out-distancing five black cars was a demeaning insult.

Now, if this is an example of how these things can be carried to extremes, it occurred to me, Mr. Speaker, that if the law touching on libellous literature or anti-semitic literature were enforced, and I had written such a statement, I could have been prosecuted that I was maligning a race. And it bothers me; it bothers me extremely. There is one bright aspect to it.

You know I have a share in a manufacturing company, five of us have an interest in it; I am the only, what you might call "goy"—I am the only non-jew in it. When I went to my service station, there were three people I know in there; they really took over the coals, as well as the hon. Minister of Correctional Services, for having brought this matter to an issue. And just at that time, when I was accused of being anti-semitic on Jack Blanc, as I started to tell you, I was on the radio. And during the Israeli war I was a commentator on an open-line programme, and will tell you I was defending the side of the Jews at the time.

One woman kept on saying how she hated Jews because her husband had been killed by a Russian Jew. And I kept on asking her how she knew that he was a Jew. I am afraid I got rather exasperated and finally I made the remark: "Well, madame, how did you know. Did you ask him to take down his pants and see if he was circumcised?" Well, that got me into a lot of trouble. As a matter of fact, the tape had to be sent to the board of broadcast governors, Mr. Speaker, but the point is, because of that remark I was also accused of being anti-Semitic. So, it is not the first time I have had this accusation made against me.

I guess in politics this is one of the things you have to live with. The truth of the matter is, those people who know me, let them be my judge. As far as the others, Mr. Speaker, I cannot go through life worrying myself sick, being afraid to open my mouth for fear that any statement I make may be misinterpreted by some zealot. Otherwise, all communications would cease; we would cease to be a British democracy; we would cease to be a democracy of any kind. We must have, for certain, freedom of speech. The appalling part about this thing is, Mr. Speaker, that last night my telephone rang; it is an organized attempt to coerce me into making a withdrawal, which I refuse to do because I will not be subject to coercion, any kind of coercion.

I consider myself a just and upright man, and free by birth and by tradition of this country. And I will not be coerced, either by them mobbing up on me on a radio, or making phone calls at home—because I know this is nothing but a lunatic fringe. The majority of the people that I have spoken to said, "We are sorry, we have no quarrels here." But there is a group which has come over and which has suffered. Anything that could be, by the wildest sense of the imagination, "construed" or as the hon. member for Downsview said, "interpreted," or "what might appear," these are the statements he used. When he says "unsavoury interpretation," all I can say is the hon. member is pillaring me or convincing me on Monday night without even having heard what I had to say.

Now, I deem that to be deplorable, but I forgive the man. To me, Mr. Speaker, there are certain types. We have French-Canadians; we have Irish-Canadians; we have Slovak-Canadians; we have Ukrainian-Canadians; we have Jewish-Canadians. On the other hand, we also have Canadian-Irish; Canadian-Slovaks; Canadian-Jews; Canadian-Ukrainians; Canadian-Poles; Canadian-Germans. There is a remarkable difference; the first group are Canadians first and then their religious or ethnic group comes second; they are always Canadians. The second group, they are not Canadians first, but something else.

But what disturbs me here, Mr. Speaker, is that I always felt that we represented Canadians in general, not any particular ethnic or political group, or pressure group or association. I suggest that perhaps there are some in here who put ethnic and religious and other pressure groups before they put their obligation to the general public as Canadian citizens.

Now, I would not hurt anybody; if anybody was in the slightest way disturbed by it, I am sorry.

I am sorry for the least person because you know Christ said, "If you do it unto the least of these, you do it unto me." And the reverse is also true, "If you hurt the least of these, you hurt me." So I would not hurt anybody. But to make a withdrawal and acquiesce in a suggestion that I was guilty of something that I had been fighting all my life, would be giving fuel to the fire of these zealots who would twist any words that are made to suit their own purpose. That I will not permit, Mr. Speaker.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, there is nothing I find more distasteful than extending this, nevertheless I feel that it is necessary, in no way to speak for my friend, the hon. member for Humber, but simply to say to you, sir, that if there are those in the community who were offended by his remarks, they can accept, I believe, my feeling that he is not anti-Semitic. He has said this very clearly, and if there is any further feeling in this regard I would say this troubles me considerably and it is my duty to remind you, sir, that the hon. member was speaking as an individual, and that we in this party dissociate ourselves from any unintended slur, if such there happened to be.

Mr. Speaker: The member for Sudbury.

Mr. E. W. Sopha (Sudbury): Thank you, Mr. Speaker, I rise on a point of personal privilege. I beg your indulgence, and that of the House, I shall be very brief. On July 2, during the evening session of the House, I made certain remarks in connection with what I alleged to be the effect of alcohol upon the Indian people.

Those remarks were wrong, sir, and there was no justification for them having been made by a person such as myself who has had a fairly lengthy contact with the Indian people. I have been privileged to defend many members of that race on serious criminal charges. I have been engaged by various bands in negotiating important matters concerning them and the remarks I made at that time, sir, at the best were fallacious; at the worst they were an affront to the Indian people.

I have reflected upon them; they have caused me great anxiety. I take the opportunity now, sir, to say to you that I unequivocally withdraw those remarks.

Hon. W. D. McKeough (Minister of Municipal Affairs): Mr. Speaker, on a matter of personal privilege which is not very serious, I refer to the *Globe and Mail* of this morning, July 18, story headed, "Plebiscites on Loans Queried by McKeough", and the second paragraph:

> Municipal Affairs Minister Darcy McKeough said in the Legislature he would prefer letting municipalities call a referendum only if they wanted it.

I have checked the transcript of *Hansard*, sir, and I think, to set the record straight, I would point out that what I said yesterday morning was:

> I would not want to see a vote completely taken away. Perhaps the emphasis should be that there is not a vote unless the Ontario municipal board decides there should be. The emphasis that way, rather than the other way around. And we are looking at exactly those ideas.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, before the orders of the day, there was a question directed to the Prime Minister yesterday, in the absence of the Attorney General (Mr. Wishart), by the hon. member for High Park, which I would now like to deal with. It is a six-part question, the first of which is:

Was the death of Isaac Teichroeb which occurred on December 28, 1966, reported to the coroner?

The answer: The death of Isaac Teichroeb occurred on December 28, 1966, at Hamilton general hospital as a result of thermal burns to 60 per cent of his body. According to the office of the supervising coroner and those of the chief coroner of Hamilton at that time, the death was not reported to a coroner. It came to the attention of the supervising coroner indirectly on February 21, 1967, and he assigned Dr. D. N. Cow, a coroner in Port Colborne, Ontario, to carry out an investigation and report back to him.

The second question: Was an inquest held into this death?

The answer: No inquest was held.

Third: If not, why not?

The answer: The coroner had no opportunity to view the body of the deceased, nor the scene of the accident, nor was there a police investigation at that time. However, after February 21, 1967, the Port Colborne police, at the request of the coroner, interviewed and took statements from the witnesses to the accident. In addition, the accident had been reported at the time to a steamship inspector of the federal government Department of Transport, who had jurisdiction to investigate the circumstances

leading up to this accident. The name of the inspector is Mr. John Spence, 360 St. Paul Street, St. Catharines.

After the coroner had reviewed the police records and conferred with the steamship inspector of the federal Department of Transport on his findings, he concluded that death was due to severe burns as a result of an accidental explosion in a boiler, which resulted from human error and not a mechanical defect. The coroner felt an inquest would serve no useful purpose and he subsequently informed the widow of the deceased, namely, Mrs. Annie Teichroeb, 5 Edgewood Road, St. Catharines, of his findings and conclusions.

Fourth: Was the cause of the death a flash-back explosion in the boiler room of the S.S. *Nixon Berry*?

The answer: The cause of death, as already mentioned, was thermal burns to 60 per cent of the body. This resulted from a flash back explosion of oil from a boiler aboard a steamship called the S.S. *Nixon Berry* while moored in the harbour at Port Colborne on December 19, 1966. This vessel was owned by the Scott-Misener Steamship Company. The deceased was first treated at Port Colborne general hospital, but moved to Hamilton general hospital by ambulance the same day because of his severe burns. He died there on December 28, 1966. Two other men were injured by this same explosion; both were treated at Port Colborne hospital, and both survived. The Port Colborne police took statements from these men as to the circumstances leading up to the explosion and copies of these statements were given to the coroner.

Fifth: Prior to the explosion in the boiler, had an oiler been fired for refusing to light that particular boiler?

The answer: We have no information as to whether an oiler was fired or not prior to this explosion. Such information would have to come from the Scott-Misener Steamship Company, or Mr. John Spence, the steamship inspector of the federal Department of Transport.

Sixth: Was Mr. Teichroeb burned by steam a few days before the fatal accident?

The answer is, Mr. Speaker, we have no information on file either in the police report or in the coroner's report as to whether the deceased, Mr. Teichroeb, was burned by steam a few days before the fatal accident.

Mr. Speaker: I would like to remind the members that, due to circumstances beyond our control, the post office here will not be accepting mail from the members addressed outside of government departments. Therefore, you might either make arrangements to take the letters and deliver them yourselves when you are home, or they will be stockpiled in the whip's office, or in the Clerk's office, or Speaker's office. When the postal services commence again, they will be mailed. So, therefore, if the members have important letters that they wish to get there, please do not drop them in the mails because they will not go. You will have to make some other arrangements. Interdepartmental mail—mail to the departments here—or any government branch, government of Ontario branch, can be posted at the post office and will be delivered by the courier service set up by The Department of Public Works and other departments concerned.

Now, I would hope that the members could make alternative arrangements for the important things which have to be dealt with by them from day to day.

Hon. I. Haskett (Minister of Transport): Before the orders of the day, it is a pleasure to report to the House, this morning, that there has been a very substantial reduction in both the number of traffic deaths and fatal accidents that have occurred on roads and highways of Ontario in the first six months of 1968. Indeed, the number of deaths was the lowest for the corresponding period in the last four years. Traffic deaths were down 6.7 per cent in 1968 as compared with 1967, and fatal collisions were down 3.6 per cent. The reductions were even more marked in the month of June when deaths were down by 12.1 per cent and fatal collisions were reduced by 5.3 per cent.

These figures are encouraging and I commend the drivers of Ontario and the visitors to our province who have contributed to these reductions. At the same time, sir, I would like to urge upon all our drivers to protect themselves and other users of the road by making sure that they know the traffic laws, and that they obey them at all times.

Mr. Speaker: Orders of the day.

Clerk of the House: The 4th order, committee of the whole House, Mr. A. E. Reuter in the chair.

THE EXECUTIVE COUNCIL ACT

House in committee on Bill 177, An Act to amend The Executive Council Act.

Sections 1 to 3, inclusive, agreed to.

Bill 177 reported.

THE LEGISLATIVE ASSEMBLY RETIREMENT ALLOWANCES ACT

House in committee on Bill 178, An Act to amend The Legislative Assembly Retirement Allowances Act.

Sections 1 and 2 agreed to.

On section 3:

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, I wonder if the Provincial Treasurer (Mr. MacNaughton) could clarify section 3? I have read it several times myself and I cannot understand what it achieves. I do not understand it. What is it trying to do?

Hon. C. S. MacNaughton (Provincial Treasurer): Well, Mr. Chairman, a widow can elect all of the privileges available to a member in terms of commuted pensions, once the pension is vested in five years, as it will be with respect to section 1. Then certain privileges become available to a member. A member can then elect to wait until he is 55 years of age and draw a full pension, or he can take a commuted pension, a table for which is set out in the original statute.

A widow in these circumstances may elect all the privileges that accrue to a member excepting, of course, that her allowance will be 50 per cent of what would have accrued to a member.

Mr. Nixon: She could not before.

Hon. Mr. MacNaughton: No, we are just broadening her privileges.

Mr. Nixon: Most of these privileges, then, were available to widows. Certainly they were. Were they not up until this time?

Hon. Mr. MacNaughton: No, Mr. Chairman, they were not available. The purposes of this section is to ensure that all the privileges that were available, and will be available, to a member are now available to a widow, on the reduced basis.

Mr. V. M. Singer (Downsview): Mr. Chairman, there were two occasions I can recall since I have been a member here—one involved the late Albert Wren and the other involved the late Joseph Gould. Bob Herbert probably was a third one, and Elmer Brandon a fourth—where the members had served a considerable period of time but had passed on, unfortunately, and just before they were entitled to their pension. Will this legislation do anything to help their widows and others in the same position?

Hon. Mr. MacNaughton: Mr. Chairman, unfortunately, no. The best we can do now is reduce the vesting period. Of course, the pension reduces, too. The best we can do is reduce the vesting period of five years rather than 10, but in the new circumstances, if a five-year vesting period has not been reached, then the only benefits are the return of the contributions with interest.

Mr. Singer: Well, I would think the incidents are sufficiently few that perhaps we could consider the principle—as much as I dislike it—of retroactivity. The period of vesting is being reduced to five years. All of those four members, if my memory serves me correctly, had served much more than five years, and I would think benefits for them would be of substantial help. The number is very small and you only have to do it once and, at least in one of those cases, I know of with personal knowledge there was substantial hardship. I think it would—since we are reducing the vesting period from ten years back to five—that very probably there is a method whereby some benefit could accrue to the very few people who find themselves in this position.

Mr. Chairman: The member for Riverdale.

Mr. J. Renwick (Riverdale): Speaking on behalf of myself, and I presume on behalf of Mr. Pritchard, I would think that perhaps the Minister would give consideration to changing the word "widow" to "spouse".

Hon. Mr. MacNaughton: I cannot speak with any authority here. I think the interpretation of the Act would probably say "widow" or "widower". Let me suggest that if that is not the case, we can attempt to amend the Act, but I think in this instance a widow and a widower would be synonymous. Maybe "spouse" would have been a better word. I must say we had some thought to certain situations that existed in this Legislature, but I think we are all right.

An hon. member: See the trouble you cause us around here.

Sections 3 to 6, inclusive, agreed to.

Bill 178 reported.

Hon. Mr. Robarts moves that the committee of the whole House rise and report two bills without amendment and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report two bills without amendment and asks for leave to sit again.

Report agreed to.

THIRD READINGS

The following bills were given third reading upon motions:

Bill 177, An Act to amend The Executive Council Act.

Bill 178, An Act to amend The Legislative Retirement Allowances Act.

Clerk of the House: The first order, resuming the adjourned debate on the amendment to the motion that Mr. Speaker do now leave the chair and that the House resolve itself in the committee on ways and means.

BUDGET DEBATE

Mr. Speaker: The list which I have indicates that the member for Sandwich-Riverside (Mr. Burr) is the first speaker.

Interjections by hon. members.

Mr. Speaker: The member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Speaker, the remarks that I wish to make during the final days of the session will be very short. I would say that I have very much enjoyed the opportunity to have been in this House and to take part in the very important legislation that has come before us.

Much of what has been said, during the last month both by the press and by a great number of politicians in the area of labour and management relations needs some clarification. So much of what has been said and written about this area has been so worded—whether by carelessness or design is somewhat obscure to me—so as to leave the impression that the unions, and through them the workers, of this province are consistently at fault when a breakdown in labour-management relations takes place.

The impression has been left that the workers of this province are callous and uncaring in their attitude toward the economy of the province and that they very selfishly undermine the future of this province and their fellow residents by unnecessary strike action. Now, Mr. Speaker, let me assure you and through you the residents of this province, that few, if any, workers enjoy going on strike. Few, if any, workers like to deny their families the use of the weekly pay cheque. In fact, very few can afford to go without it and few are oblivious to the fact that money lost during a strike is rarely, if ever, recovered.

Yet most workers will, in order to back up their legitimate request for a fair share of the profits—in order to insure that they receive a wage sufficient to provide a reasonable standard of living—take this somewhat distasteful and self-denying action. And I might hasten to add that on occasion the archaic labour legislation in this province precipitates this action and is, at times, the very tool used by management to deny workers decent working conditions.

Rarely do we read in the press a statement placing the onus of responsibility for any labour dispute on the shoulders of the negotiating committee of management. Rarely is the blame for the labour unrest laid at the feet of uncompromising management. More often than not, the news headlines blare out that workers have gone on strike. Such was the case, not many weeks ago, when a work stoppage occurred in the brewing industry and yet, in actual fact, the blame for 90 per cent of this work stoppage rests solely with management.

It is not often that one could be able to pick up the newspaper and see that 90 per cent of employees are locked out by a management that is not particularly interested in discussing with them the terms over which they will continue their employment. Ninety per cent of those workers who were previously, and are now again, employed by the brewing industry arrived at work quite prepared to take part in the normal routine. Lunch pail in hand, they were ready to do what they were being paid to do. They were prepared to manufacture and to sell to the public the suds, as they are called, that so many people consume during the "pause that refreshes".

Now whether or not one drinks beer is really immaterial and there is a lesson I believe to be learned from what has taken place in the brewing industry.

I might say that I am very satisfied and happy to see them now back to work. The workers were not on strike. They were, at that time, being denied the opportunity to work. They were being what I supposed could be termed victimized by the monopolistic concerns by whom they were employed. They were facing three supposedly competing companies who do not operate within the normal concept of competition.

They were facing three companies who had reached such accord that when one of the companies faced any type of labour dispute or labour discord, the other two—in order not to take advantage of them—decided to close down. These companies, and not the workers, decided that they would deny to the people of Ontario the use of this product—and I might say that there are some who might suggest that denying the use of the product is a desirable thing. I do not know. I am not among them, but there are some who suggest this.

The brewing industry has such a hold on the market that even if competition were to emerge in the form of a new brewing operation, the opportunity for this operation to retail its product is extremely limited. There are few, if any, private concerns who enjoy this government-sponsored position. These companies have a complete stranglehold, not only on the manufacturing but also on the retailing of their product, and they have this by virtue of an Act of this legislation.

Now it is not a particularly healthy situation, because what then occurs is that any other company deciding to enter into this field must of necessity do so with the good will of the existing breweries. It is not possible for another company to enter into this field and because of the legislation it is not possible for them to market their products without marketing through the brewers' retail warehousing outlets. And if past practice is any criteria, there is a definite indication that the brewers' warehouses have charged unrealistic handling charges in order to insure that the monopoly they enjoy will be maintained indefinitely.

Some years ago there was an enquiry chaired by the hon. Mr. Justice McRuer and at that time he agreed, I believe, in part, that the brewing industry was a monopoly but he further agreed that they were not violating The Combines Act as such. But he made a rather interesting statement during it, and I quote:

> If the plan of the organization of the Brewers' Warehousing Company Limited gives to the member brewers an advantage in the Ontario market that is something which is distinctly within the control of the Ontario government, especially in view of the fact that it is declared by statute that every store in the Brewers' Warehousing Company Limited is a government store.

Surely it is in the best interest of the people of this province that any manufacturing concern should be able to manufacture and sell its product here in Ontario? And when by an Act of this government a certain group of people are given a monopoly—or given the opportunity to set up the retailing situation that can deny to others the opportunity to use it or to price it out of their reach this is not a satisfactory way to run a government or to run a province.

What I would suggest ought to be done in that case is that any group manufacturing in this province within the confines of the Acts that govern manufacture of consumer products, ought to be able to retail its product, should be able to sell it through the normal outlets. And this is not the case here.

It is unfortunate that the people of the province must suffer because of the legislation of this government.

It is unfortunate that the government should take such a position that would give to what could be supposedly their friends, a monopoly that would deny others the right to compete.

There is, in actual fact, no competition in the brewing industry. The competition is strictly that of advertising, as I mentioned some time ago in a previous speech. There is no way to convince me that these brewers are in any way competing one with the other. There is never at any time a decision that one company will sell its products cheaper, or that one company will go into actual proper competition.

I feel there are certain ways in which this could be handled and two have been suggested; there are perhaps three others. One way could be the allowing the sale of this product by licenced grocers. Whether or not this is the answer, I am not sure.

Another could be by a system, very similar to that of the LCBO, where the government not only owns, as they presently do, or at least control as they presently do, the outlets, but that they exercise jurisdiction over

who will sell where and at what price and what will be the handling charge.

The final one would be to leave it as it is, but for the government to exercise its responsibilities to the people of this province by ensuring that these companies will not band together, as they have done over the past few weeks, to deny to the economy of this province and to deny to those people who were prepared to go to work, the opportunity to earn a reasonable living.

Mr. Speaker, I would hope that the government will, in the light of what has taken place over the last two or three weeks, review the position of the Brewers' Warehousing Company Limited, and that they will make whatever changes are necessary to ensure that the kind of action that was taken by the brewing industry will not happen again in this province. Thank you.

Mr. Speaker: The member for Algoma.

Mr. B. Gilbertson (Algoma): Mr. Speaker, I am happy to take part in this Budget Debate and to disagree with the hon. members of the Opposition who have been so lengthy and loud in their condemnation of the province's Budget for 1968-1969.

I would like to remind the hon. members of the comment on this Budget contained in a lead editorial of the *Globe and Mail* on March 13, entitled "Painful But Logical":

> No Ontario budget that promises a $105 million tax increase—not to mention healthy hikes in hospital and medicare premiums—will be greeted with cheers. Still, when one admits the need in certain areas for increased government expenditures, and when one finds evidence that spending for lower priorities has been restrained, it must be admitted that the budget presented by Treasurer Charles MacNaughton seems sensible, if at times a painful document.

I believe, Mr. Speaker, that all members would agree that no Treasurer of this province has ever had to face more difficult or complex problems than those which exist today. I believe he is to be complimented for the Budget which he has laid before us and which provides the basis for another year of steady, sound growth for all sectors of our province's economy.

Today, Mr. Speaker, I would like to speak for a few moments on the agricultural sector of our economy. This sector is facing perhaps the greatest challenge of any in the province, and I believe that our farmers need all the encouragement and support which we in this Legislature can provide for them.

I was impressed recently by an address by Mr. Glen Cole, president of the dairy farmers of Canada, who explained in very clear terms the difficulties which face our farmers today.

This 59-year-old dairy farmer from Bewdley, Ontario, probably knows better than most how serious the present problems are, yet he speaks with hope and optimism, because he firmly believes that a better day is coming for all farmers across this country.

Like our own Minister of Agriculture and Food (Mr. Stewart), Mr. Cole is a firm believer in a united approach to Canada's agricultural difficulties. He pointed out that at this time the dairy farmers are the only national commodity group in the country, but he hopes that they will set a pattern for the future for other major commodity groups in the industry.

Mr. Cole suggested that any farmer should get the same satisfaction from his work as a skilled mechanic. But many farmers today are not only unable to get this basic satisfaction, they also lack a reasonable return on their capital investment and labour.

Many farmers today have a higher capital investment than the average small and medium sized businessman. Farmers are so short of labour, because of competitive difficulty, that a farmer with $100,000 invested in his operation must work all day in the field himself.

The seriousness of the farm income problem is reflected in the increasing difficulty in getting young men with a knowledge of farming to take up this business as their life work. I think that we should agree with Mr. Cole's claim that agriculture has traded muscle for machinery and electricity to a greater extent than any other industry, and, as a result, agriculture is leading the other segments of the Canadian economy in productivity improvement.

Despite these advances, however, many of our farmers continue to operate only through a system of shared labour. A complicating factor that Mr. Cole pointed out was the fact that so many urban Canadians are unable to appreciate just how significantly the farm problem has changed. They fail to understand that transient labour is no longer available.

Many of our economic experts are not particularly sympathetic or helpful either. It is all very well for them to emphasize the need for efficiency to meet world competition, but they ignore the fact that our farmers must

often contend with adverse climatic conditions and a high-cost economy. New Zealand can produce dairy products more cheaply because, in that country, farmers can count on pasture for eleven months of the year, and virtually no feed or stable problems.

By the same token Mr. Cole asked why we do not import our clothes from Hong Kong and our shoes from Czechoslovakia, or our machinery from eastern Europe. I feel that the points which this farmer has brought up are very valid indeed, and agree with him that there is a need for more communication among all segments of the agriculture industry in Canada, and between the producers and general public.

Here in Ontario, Mr. Speaker, we are fortunate in having a successful farmer as our Minister of Agriculture and Food. I think that it is obvious from the results of the election last October 17 that the farmers of Ontario agree with me. I would like to mention one or two of the most important projects which have been initiated by our present Minister, and which are of great significance to the agriculture of this province.

I think the establishment of the farm income committee and the studies which have been initiated by this group will prove to be of immense value to the industry before the life of this parliament has expired. At the same time, we are fully aware that ultimate solutions of this problem will depend upon the development of a national agriculture policy, which we on the government side of the House will continue to advocate until it becomes a fact. I believe the establishment of a pool quota on March 1, 1968, for Ontario milk producers is a major step towards the solution. I commend the Ontario milk marketing board and the producers for developing this policy.

As a result, farmers who are unable to find a market for their fluid milk and have no hope of obtaining the top price for the produce, will now be able to share in the fluid milk market regardless of the location of their farms. This plan came into effect on March 1, 1968, having been tried out in northern Ontario by the Ontario milk marketing board. The establishment of the board will ensure equal pay for quality milk for all dairy producers. This was not possible under the former two price system.

Another feature of this plan is that industrial milk producers may enter the pool as soon as they are able to pass government inspection and have proven that they can produce milk of the required quality. I know that some producers of Channel Island milk are not too happy with the system. They are requesting that their milk be bought and paid on the end use of their milk and that the increase from their milk be returned to them rather than to the pool. I think it is important for them to realize that before the milk marketing board came to a decision it commissioned an independent study to bring back recommendations on the marketing of Channel Island milk under pooling in Ontario.

Many of the recommendations of that report are implemented through the group one pool plan in quota policy. One of the recommendations of that report was that there should not be a separate price pool for Channel Island milk. However, the board made concessions to shippers of Channel Island breeds milk outside the recommendations of the committee report. Quotas for Channel Island breeds milk producers have been set on a different basis to other pool participants. Qualified CIB shippers have made their base period updated to recognize their increases in sales effort and the quotas have been set at 100 per cent for base milk, rather than the lower level of 89 which is the case for all other pool participants in southern Ontario. These concessions were made in view of the financial contribution that the CIB shippers have made to promote and expand the marketing of fluid milk in Ontario.

Another proposal which has met with wide acceptance in my constituency is an amendment to The Community Centres Act. This new grant system will provide 25 per cent of the cost of a community hall, skating arena, outdoor skating rink or athletic arena, with a maximum grant of $10,000. In the case of a swimming pool, indoor or outdoor, the grant will be 25 per cent of the cost with a maximum grant of $15,000. If the grant is to be used for building, accommodations, community halls, or skating arenas, it will be to the extent of 25 per cent of the cost with a maximum of $20,000. In the case of a combined community hall and swimming pool the grant will be 25 per cent of the cost to a miximum of $25,000.

Another amendment will provide a means whereby municipalities may band together to provide a community centre with each municipality eligible to receive grants. The combined grants will be limited to a maximum of 50 per cent of the costs of the facilities. I think that these amendments clearly indicate the importance with which our govern-

ment views the local community as a social, business, educational and recreational centre. By increasing the allowable grants towards the provision of these facilities, the government is not only assisting the local communities to meet the rising costs of labour and materials, but is encouraging our residents, young and old, to participate in community activities. It is yet another example of this government's concern for the welfare of all our people.

Now, Mr. Speaker, I would like to just get a little closer to home. Perhaps you might call it a little personal. I would like to speak about my riding and the economy of my area. We in northwestern Ontario depend a lot on the tourist industry from all parts of Canada and the U.S.A.

In the Algoma area we have a lot of people from south of the border who live on the Canadian side of the St. Marys River about six months of the year. They have their summer homes and of course they pay the same taxes as our regular residents, such as residential school tax, road tax, gas tax. We are happy to have them and we feel they are an asset to our area. The Americans come over to this country and invest in various enterprises, such as lumber, mining, tourism just to mention a few.

It seems to me that they are more venturesome than we are and in many cases they are very generous. I would like to relate some of the good things they have done in our community in St. Joseph's Island area, Mr. Speaker. Our good friends from south of the border have been criticized many times for coming over and exploiting our good land over her, but in our local area we certainly cannot say that.

Many of our American summer residents when they become too old to come to the north to enjoy our summers, have given their homes to the community. In one instance, a wealthy American family donated the hospital to St. Joseph's Island. We have had two libraries donated—a children's library and an adult library. We also have had a school built to replace an old one-room school, plus a community hall. They have also equipped our hospital. In another instance an elderly couple donated their summer home to our local church.

These generous donations have been an asset and a great contribution to our particular area and I would not wonder, Mr. Speaker, that this happens perhaps in many other cases in Ontario. And I would want to commend our good friends from south of the border that come over and are so generous, and I feel that their great assistance is a boon to our economy.

I would now like to take a minute or two more, Mr. Speaker, to remind the hon. members here of a few of the things that are needed in our particular area. I would certainly like to mention our St. Joseph's Island bridge and put it on record. It is only a little span of 900 feet and not having this bridge is affecting our economy.

We think of the great Mackinaw bridge that is only about 50 miles away from us, that lets the traffic come from the southern part of Michigan—Detroit and all those larger cities—only five hours from the central part of Michigan up to our area. We have the international bridge at Sault Ste. Marie.

We get a great flow of traffic in the summertime—on the weekends all we have got is a long line-up of cars waiting to get across the ferry. If you cannot get out of line, you have to sit there and wait.

I think, Mr. Speaker, through you to the hon. members here in the House, it is only reasonable and economically feasible that we should hurry this project along. We have been promised this bridge, and I believe it is coming, but I would urge that this project be accelerated, so we will see some results before very long.

When I go home to my riding my constituents are continually after me, and ask me when we are going to see some visible results. "We know we are getting the bridge, but when are we going to see some visible results? So I tell them that the bridge is coming.

I am out on a limb, and I have confidence in this government that, if you accomplish so many things over the years, they are certainly able to do this. I am looking forward to when we will get the bridge at St. Joseph's Island.

Also there are many other projects in the north. We have a highway coming through from Hornepayne to White River—it is going to help out that particular area. And we have now a road that is almost completed from Highway 101 to Dalton.

Blind River, I understand, is going to get a shot in the arm to help their economy and I feel that there are brighter days ahead for Algoma. I am looking for the support of this government.

My people elected me to come down here to be their representative in the House, and I am telling hon. members this morning that we need their assistance.

Mr. Speaker: The member for Yorkview.

Mr. F. Young (Yorkview): Mr. Speaker, I understand that you, sir, have had the same sort of request. For some years we have just heard about a bridge to solve certain problems in your own riding. I do not know whether people gain most by electing a member of the government, or a member of the Opposition, as far as the public works are concerned.

My friend who has just spoken talked about the needs of a farmer. He is familiar with agriculture and with the problems of the farmer. I would point out to him that, in his own bailiwick, in his own farm, if he ever owned a farm, he would recognize that the horse that jumps the fence gets the attention.

As long as the horses are docile and stay in the stall, or the pasture, or the corral, you do not worry about them. But when the horse starts to jump, then you look at it and you say: "What is wrong? What is the trouble here?" And this often happens in politics.

As long as a riding can be counted upon to elect a government member, then government says, "Well, why should we waste money there. These people are satisfied, they are voting for us. We will look at some of the areas where the dissatisfaction is being recorded by an election, by Xs and the ballot."

So I give my hon. friend from Algoma (Mr. Gilbertson) this little bit of advice to cogitate upon and to think over and to take back to his people—suggest to them that maybe, after the next election, if they jump the fence, they might get results. But I suppose that is too much to hope for. I also offer the same advice to the hon. Speaker of the day.

Mr. Speaker, I had not intended to enter this debate, the time is getting pretty late. But a few days ago I had representation from some of the citizens in my riding and an adjacent riding asking that I would present, in a public way, a petition which they had drawn up and which they had signed. I said, "Well, I will do that."

The purpose of the Budget debate, of course, is for any citizens who have a grievance to present those grievances to the Crown before the moneys are voted. These people have a right to be heard and so I am speaking on their behalf today.

Back in June, on June 14, as a matter of fact, we had a debate in this House centred on Ontario housing and the setting of rents in the Ontario housing units. It was out of all that debate that this petition arose.

The people in Ontario housing in my riding, and throughout the city, I think, are grateful to this Legislature for what has been done for them, in making housing available. We have entered into the programme of Ontario housing because of a failure of private enterprise in this province to give the people of the province, particularly those with certain problems, basic shelter.

I do not need to go into this whole matter again today, because we have gone over it time after time. But those of us who feel responsibility here do get a lot of reaction from people in our ridings.

One of the biggest problems, I think, that many of our families face is the problem of the landlord who refuses to house a family with more than one child, or a maximum of two children. So the family with two or three children, whose lease expires, hunts for a home and that family is told, "Because of the number of children in your family we are not going to have you in our apartment complex."

Then, of course, there is also the problem of the widow, or the deserted wife, or the wife whose husband may have had some trouble. I have a case right now which Ontario housing is looking at very carefully —a family who was moving from one basement apartment to another basement apartment last Friday. Unfortunately the husband had been in trouble with the law and in this case he had been the receiver of stolen goods and he was on probation.

Another crime was committed in the general area, and the police went to look for the chap who was on probation. And, unfortunately, they went to the new apartment to which the family had not yet moved. The result was that that landlord said: "If you are going to have police around, you are not coming in here." Since no lease was signed, the door was closed. And so these people had to move out. The husband was taken into custody; the wife with two children was left with no place to go. Now this is a crisis which the Ontario housing is today grappling with. But my point is that since the private sector has failed to meet the needs of people like this, the Ontario housing was set up to try to grapple with these kinds of situations. And Ontario housing was not intended to be a profit-making organization. The private entrepreneur will build his apartment complex; he will determine what his cost was; and then what his economic rent is; and he will say to people "If you want to come in, fine, pay this rent or stay away."

Ontario housing has a different approach. It is the approach of need, and in that kind of an approach the profit motive plays no part. Certainly, Ontario housing tries to make its operation at least self-liquidating as far as possible, but the self-liquidating factor is a minor one, in the face of human need.

So we have our geared-to-income policies, and we try to assess what people's incomes are, and then gear rent to that, in many cases.

Now, in the debate, in May, in this House, it was pointed out to the Minister, and it has been pointed out to him before, that there are certain inequities here, that the net taxable income ought to be a better criterion than gross income for these people. The wage-earner with the large family still has to pay on his gross income, whereas the other income-earner with a smaller family and less responsibilities may be better off financially because of the way the rents are set. There has been a growing feeling that it ought to be the net taxable income upon which rents are based, and this feeling was expressed.

The feeling was also expressed here, and has been time after time, that overtime work should not count in the setting of rents. Because a man may have a certain amount of overtime, by the time that catches up with him in the following year, he may be back on his original income, or indeed may be unemployed for a temporary period. But he is paying his rent on the larger income. Also, it acts as a deterrent factor. In many cases, if a regular ongoing bit of overtime is offered, and it may be offered for some weeks, a person finds that the overtime may put him in the new rent-income bracket and he says "I am not going to be financially any better off. I had better turn down the offer of overtime," and therefore the industrial life is handicapped to that extent.

Mr. Speaker, when this matter was raised, some enterprising people and in the riding to the west, got together and said, "This is a good idea." The Minister at that time said he would look into this matter. These people felt they would strengthen the hands of those who are advocating these changes and let the Minister know how they felt about the matter by signing a petition in this field. The petition is addressed to Mr. E. Clow, chairman, Ontario housing corporation, 188 University Avenue, Toronto 1, Ontario, and says this:

> We, the undersigned tenants in Ontario housing corporation developments, respectfully submit that the method for setting rents should be reviewed, with consideration given to the following suggestions:
>
> 1. The net taxable income be used as a basis for determining rent, rather than gross pay.
>
> 2. That a man works overtime to make ends meet, not be penalized for his extra efforts.

This petition, signed by approximately 800 people, is here, and I want to present it to the Minister who is not in his seat. Perhaps we can see that it is delivered to the Minister for his consideration. I am sure that he will appreciate the effort of these people in presenting their point of view to him, and in backing up the endeavour to have these changes made in the method for setting rents in the Ontario housing corporation.

Thank you, Mr. Speaker, for this consideration.

Mr. R. Haggerty (Welland South): Today I want to speak on a matter that has been on my mind for the greater part of the session, and I think the phrase which sums it all up is "Our Double-Decker Society." It seems that we are settling down to an acceptance of two separate levels of existence for the bulk of our population, not counting the small percentage in the upper income brackets.

Because the situation has only recently begun to settle down into a pattern, figures are hard to come by, but I am sure I can make my point from our common experience and observation of this fact shaping up under our very eyes, at least in the majority of our constituencies.

The first average level of existence is that group that the HOME scheme is aimed at, the people earning between $8,000 and $12,000 a year. This group, perhaps, will reach figures approaching a third of Ontario's population in the years immediately ahead. These are the people who live in the suburbs, who have, wherever possible, individual homes standing in their own lots, nicely landscaped. Their refrigerators are full of good food. They have not yet learned that consumption of itself does not bring happiness or peace of mind, and so they are good consumers, the manufacturers' darling and the people who maintain the gross provincial product on its upward spiral. Each weekend they take to the roads in their automobiles which are rarely more than three years old and, of late, they are seen with their tent trailers and power boats heading for the crowded provincial parks within 150 miles of the southern metropolitan area.

These people have a variety of ways of staying where they are in relation to others in the pyramid of material success. Most of them have completed high school, and they are going to try to get their children through college, or at least through community college or vocational training or some form of higher education at least two years longer than their own. They will perpetuate their position in this way. For the immediate present, they have a variety of ways of keeping ahead of the game financially and, for many, the method is through collective bargaining procedures which have become institutionalized to a degree.

Typical of the sophistication of this group of workers is the statement of protest in regard to provincial Budget changes forwarded to MPPs on March 28, by the united electrical, radio and machine workers. I will not quote from this document, but merely observe that it is a professional job which lobbies most effectively on behalf of this particular group or salary-level of workers. This kind of help gives such people a head-start over less organized members of the community, so that they are able to maintain their differential fairly easily.

When parity of wage or salary is achieved in an industry which spans the border, without corresponding parity in productivity, a number of things happen. The situation is more acute, the more depressed the general standard of living happens to be in the area where the branch plant is located. Thus, in Quebec, serious social dislocation, and upward and downward mobility were observed among former neighbours and friends who had been closely-knit in the community of St. Thérèse, following the GM parity award. There was a differential of as much as $2 an hour between men doing the same job at GM and at Sicard, the snow-plough people, just across the Laurentian Autoroute, less than half a mile away. Firms like Coronation Foods and Simon Cigar, which had located in St. Thérèse in the belief that tax incentives and lower labour costs would bring them higher returns on volume items, found that they had difficulty in attracting and holding workers, in the face of the magnet, GM. Everyone wanted to work for GM, and those who couldn't make it were relegated to a different stratum of society by those who did, and kept down. That's the important point. Denied upward mobility into the newly appreciated level, they became the newly underprivileged in a relative sense in St. Thérèse, and what was once a stable community is now boiling with a ferment that is only more acute than that in, say, Oshawa or St. Catharines because the original living standard was lower to begin with. One could find similar extreme examples in Nova Scotia and so on, and to make my point I have reached outside the province so as not to hurt the local pride of any particular Ontario community.

Now let us look at some of the provisions of the GM agreement to see how this group of workers is considering its advantage over the other layer of the population. Forty-seven days of strike, involving some 25,000 workers produced the following results. The list is not exhaustive:

Five pay increases totalling about $1.24 an hour for production workers and $1.68 for tradesmen. This would mean production workers will earn $3.65 an hour and tradesmen $5.04 an hour before the contract expiry date in 1970. Incidentally, by that time, stationary engineers, or boilermen as we used to call them, of the top grades in the GM plants, will be earning more than $12,500 a year, which is more than many assistant Deputy Ministers now earn in the Ontario civil service, and more than a Minister himself gets—in addition to his MPP's indemnity—for his added departmental responsibilities!

The first increase will be an immediate 20-cent hourly raise for all employees, retroactive to November 6, 1967. Another 30-cent increase for skilled workers is also retroactive to November 6, 1967.

Cost-of-living increases of no less than three cents an hour and no more than eight cents an hour are provided for in the agreement on an annual basis, once in November, 1968, and again in November, 1969.

There is an "improvement factor" wage increase for all employees in both the second and third years of the agreement. This would range from nine to fifteen cents.

Twenty-six cents of the 31 cents cost-of-living allowance has been transferred to base wage rates. The remaining five cents will be continued as the cost-of-living factor for the first year of the agreement.

The new formula for computing the cost-of-living allowance assures at least four cents of new money during the life of the new agreement, and could add as much as 14 cents increase.

And now let us look at the status provisions, the fringe benefits which keep highly organized workers such as the members of the UAW from slipping on the totem pole: One additional paid holiday a year; increased pension benefits; improved disability and survivor benefits; a revised drug prescription

plan; increased amounts and longer periods for supplemental unemployment benefits.

George Burt, UAW's Canadian director said, and I quote from the Wednesday, March 27, 1968 Canadian Press report:

> GM workers in Canada are now assured of getting either a full year's work or a full year's guaranteed income. Most GM Canada workers will have a full year's guarantee of 95 per cent of take home pay—minus only $7.50 weekly in job-related benefits—if laid off for that length of time.

Now, Mr. Speaker, what we have here is a guaranteed annual income for a significant segment of the work force that falls into this category I have described. And as my colleague, the hon. member for Etobicoke (Mr. Braithwaite), pointed out on May 21, during the debate on the estimates of The Department of Social and Family Services, the president of Ford, Arjay Miller, endorses the guaranteed annual income concept, as does the chairman of Xerox, Joseph C. Wilson. They are all concerned to keep consumption up so we get a 95 per cent wage guarantee, laid off or not, for a highly organized, and growing group of people; the people with the real security in these changing times. They can go with the tide if the tide favours them, and they can drop anchor and ride out unfavourable tides and currents when they have to. They just cannot lose.

Now, listen to the extension of this idea still further, as dealt with by Laurence E. Coward, senior vice-president of the consulting accountancy firm William M. Mercer, speaking in a panel discussion at the Ontario division of the CMA this May. Canadian business, he told the group, has a continuing obligation to its old employees, even after they have stopped working.

> So far, only the united auto workers has made a major issue of those pensions already being paid. It has won major improvements for these pensioners, Coward said approvingly. This is a major problem that more and more companies will have to face. The attitude that the company has no moral obligation to a pensioner once he has ceased to work is getting harder and harder to maintain. I am sure that more and more manufacturers will be forced to grant retroactive increases. If your company is providing the employees with an inadequate pension package, it is no use trying to do a snow job on behalf of the company because it just won't go over.

That quotation is from the Toronto *Daily Star* of May 3, 1968.

And then George Ball, U.S. ambassador to the United Nations, drives the economic axe even deeper into the timber of our nationhood by asking, in his new book, "The Discipline of Power,"

> I wonder for example, if the Canadian people will be prepared indefinitely to accept in return for the psychic satisfaction of maintaining separate national and political identity, a per-capita income less than three-quarters of ours?

Ball is all for parity, but he is again addressing his appeal to this particular stratum of our society; not the very rich, but the people on the upper deck of our double-decker bus.

The mix does change a little from year to year. For example, according to DBS figures, rent, interest and miscellaneous investment income rose nearly 13 per cent in 1967. Wages and salaries showed an average 9 per cent rise. Farmers' incomes fell 23 per cent. Employees in the service industries won larger raises—12 per cent average—than those in manufacturing and construction—six per cent. Wages paid by public utilities rose 15.5 per cent, by transportation companies, 12 per cent, and by business and personal services, 13 per cent. Provincial payrolls went up 20 per cent; municipal payrolls, 12 per cent; federal government payrolls, 10½ per cent.

But this might be likened to the surface layer of the water of the sea, which mixes down to a depth of about a hundred feet, but which never mixes with the water below that level. The people on the top deck of the bus stay that way, as the postal workers are doing now, by calling periodic strikes without regard to the well being of Canada as a whole. Strikes and lockouts in manufacturing industries in 1967 meant a loss of productivity totalling 377,500 man-weeks. Now, the workers themselves were prepared to gamble their earnings loss of $40 million in this lost time, because they rapidly recouped it in what they won at the bargaining table. But Canada as a whole never got back the equivalent of that lost $40 million in increased productivity. And what is more, she never will. That loss is permanent. The times is lost forever.

There is another aspect to this. The *Financial Post* of April 27, pointed out that the gap in productivity between the U.S. and Canada is 27 per cent, and that in manufacturing has widened from 16.6 per cent to

18.5 per cent. Canada is slipping. The editorial went on to say that this relatively inefficient performance explains in good part why finished goods usually cost more in Canada than they do in the U.S.A., and it explains why less is left over to pay U.S.-style wages and dividends. In these circumstances, it says, the Canadian union guide for wage parity across the board is inflationary and self-defeating. The spread of the parity idea, says Canadian General Electric's president, Herbert J. Smith, would mean a transfer of manufacturing operations and jobs to the country with the greatest productivity, i.e. the U.S.A. So the cost of staying on the top deck is often to sell the rest of Canada, and certainly those on the lower level, short.

Here's another example—the labour cost of a $22,000 house as calculated by the Windsor building trades unions: bricklayer, tile-setter $1,450; carpenter $706; electricians $325; hoisting engineers $120; labourers $200; painters $285; plasterers, cement finishers $344.80; plumbers $143.20; sheet metal workers $250. Total labour: $3,824.00.

These construction costs are up by 13.7 per cent when compared to 10 years ago. When added to increased land costs of 41.4 per cent and increased mortgage carrying charges of 34.8 per cent, these figures go to keep individuals and classes afloat, at the incredible cost of forcing up the cost of a three-bedroom house—including all interest charges over 25 years—from $20,733 to $42,078; more than double.

I'll repeat those total figures: A $12,000 house in 1957, with 25 year interest at 6 per cent came to $20,733. In 1967, the same three-bedroom house cost $21,500 cash, or with the maximum first mortgage over 25 years at 8.5 per cent, cost $42,078—an unbelievable figure. Incidentally, the minimum down payment in 1957 was $1,200 and in 1967 $3,500.

Now the HOME scheme cannot beat this numbers game, except perhaps by its gimmick with leasehold land and then only to an insignificant degree. So homes are sky-high, and they can only go to top-level passengers on this double-decker income bus, which further stratifies society into two levels. No wonder when you're up there on that top deck you will do anything not to come down if you can avoid it.

The high and increasing cost of government—of which we shall hear much more as the fall approaches and the time comes either to split the tax cake or bake a still bigger one—is also a factor in forcing up the upper-deck salaries. Cities and towns have boosted municipal taxes to the limit, and now they too will go to the well for more money, filling every tax field that someone else vacates. And, high as taxes are, budgetary deficits are proof that governments have not hitherto dared to demand from the taxpayer the full cost of their spiralling outlays.

The debt of federal and provincial governments alone now exceeds $1,400 for every man, woman and child in this country. It must be serviced by taxes. These taxes, as we all know, are levied somewhat unevenly, and the pressure for salary maintenance to offset direct-deduction taxation at the level I am talking about is continuous and awesome. When a person discovers that 11 cents of every tax dollar he is levied is needed to meet the annual interest on debt before a cent is earmarked to retire the existing principle, then he is going to turn a deaf ear to calls upon him for personal restraint. The result is that the inflationary spiral zooms ever upward, carrying the upper-deck passengers with it. No wonder the present Ontario budget is geared to an annual income of $8,500 to $10,000!

Some independent figures I have researched show that in Metro Toronto it takes an annual gross income of $6,376 to maintain a typical family at a modest standard of living. On a 40-hour week, this means the head of the family must earn a minimum of $3.06 per hour. I have a 1962 figure here made by the council of economic advisers in the U.S.A. Family of four—$3,955, six years ago. Today the same family's modest but adequate income, according to a parallel study from the bureau of labour statistics, should be $5,000, nearly 25 per cent more.

My latest figure for average earnings in manufacturing in Ontario is an annual income of $5,400. People in this bracket are scrambling to get on to the top deck of the bus. They will fight with increasing pressure to maintain their material standards.

But now let me turn to the people on the bottom deck and ask: What are we going to do about them? Because I believe that there is a terrible social danger in this two-layer society, where a large segment of the people can protect themselves and an almost equally large segment cannot. Let me read this editorial into the record. It comes from the Sarnia *Observer* of January 13, 1968, under the headline

PROFIT AMID MISERY

Canada, with the second highest standard of living in the world, still has some leaky spots. Like the United States, the national abundance is far from universal. Like the United States there is a tendency for at least some of the affluent to batten on the less fortunate. Toronto's board of control was approached by four mothers of the city to declare their homes unfit for living because of extreme cold and rats.

Chilliness is laid to the fact that the gas company shut off the gas in May, 1966. Company spokesmen say no request for turning it on had been made by the landlord since. Rats moving in with the families is attributed to the fact that even the 30 and 40 degree temperatures of the living rooms and bedrooms are more comfortable than the cellars where the rodents usually make their homes.

To survive the present cold snap one mother sleeps in her clothes on a front room couch and watches television—imagine the poor having television—in the afternoon wearing a winter coat and gloves. There is some help forthcoming. One woman with four children—who reports killing five rats in little more then a week—receives $260 a month in mother's and family allowances.

Keeping herself and four children in clothes, food and raiment should not be beyond the powers of a person who can exercise caution in buying. But the hurdle there is the landlord who charges her, she says, $140 a month for her rat-infested warren. For that rent the man who owns the place does not even provide heat. He is probably little concerned should the mother and her brood walk out on him. There are other unfortunates waiting to be charged $140 rentals for quarters worth a fraction of the sum.

What could hit where it hurts—in the pocketbook—would be the board of control heeding the complaints of people who would seem to know what they are talking about and have his shoddy accommodations declared unfit for human habitation. What can be done about it? That is hard to say. The poor we will always have with us. And with the poor are always those who will profit from their misfortunes.

What do we do about this apathy that strikes people who are really beat? They get an old TV for a few dollars, and they sit in front of it, transfixed, according to the popular image of the indolent poor. Yet we all know that the numbness of despair can take away all drive, because there is no hope. Every day a walk in the street carries its ironic overtones. Here are others who are doing well, seemingly by good fortune as much as by honest effort. Of course, from the outside that is the state of poverty we can expect a good deal of distortion of the perceptions in these matters. But there is still enough truth in the observations of the poor—that the others prosper while they do not—to cause them to throw in the towel.

I have had a fair amount of experience in and around my own constituency with professional social workers at several levels of government. The one thing I cannot abide is to be taken into a room and in answer to my simple question: "What are you doing by way of motivation for these people?" To be told, "We have this scheme going here—a hundred miles away—this project here—at Lakehead University or wherever—and this matching grant."

I am talking about the Canada Manpower Plan. They have different schemes to elevate workers through higher education, to get them into the employment field. But many of these schemes can only be found in the city of Toronto. As far as Port Arthur is concerned, many of the subjects that should be taught in this school cannot be taught at a local level.

Then when I ask, "Yes, but what about phase one, the immediate programme for here and now, at this time, in this building, for these people who, initially at least, are scared to move out of the neighbourhood because of their fears, fantasies and previous experiences? What are you doing for them?" I am all too often told, "Nothing." And so the poverty goes on, because a multi-million dollar effort, at various levels of government and endeavour, is not zeroing in on its proper objectives and targets, but is playing pie in the sky with fanciful schemes that look well on charts and in annual reports.

I will not be content until all these people who are trapped by apathy are motivated to climb the ladder to the upper deck. I have several firm proposals to put forward.

First of all, I'd like every member present to read *Hansard* for May 21, pages 3,129 through 3,138, and ask himself or herself, "What is my personal approach to welfare, and to the various schemes that are mistakenly lumped under the general title of guaranteed annual income?" I know myself that my idea of such a scheme is not quite

the same as that of my colleague from Etobicoke. But I know that his is not the same as that of Arjay Miller of Ford, or Milton Friedman of Barry Goldwater's economic staff, and so on.

But I do know this, that despite the vast disparity of our ideas on this concept we all share one common belief: That there is somewhere in guaranteed annual income the vast saving that will be gained by taking the paperwork and investigatory manpower out of welfare, and putting all the welfare workers to work, not as Dick Tracys, but as educators in that first and vital sense of head starters, or motivators—or as the Minister of Mines (Mr. A. F. Lawrence) put it rather inelegantly but forcefully only yesterday in The Department of Mines' estimates debate: "People who get you off your fanny."

I support a concept of guaranteed annual income—a floor concept—that takes away the snooping, and makes every visit by a welfare worker to a home a positive experience, rewarding to those visited, inspiring even, giving hope. At present, so many of these visits are just for bookkeeping and statistical purposes. But people, even the most hopeless of them, are more than mere statistics. They are living souls who deserve to be encouraged and taught to help themselves. The first stage in any bootstrap operation must come from a knowledgeable friend. It doesn't take much to renew hope, provided that the right relationship is established at the start, and the absence of a means test or needs test is perhaps the first breakthrough in human relations that is needed to get an indigent person back on his feet.

Now, once a person is starting to get back on his own two feet, I want to see the means for recognition of individual ability come back. It seems to me that collective bargaining has taken all the sense out of individual pride in workmanship and an honest day's work well done, because the way we have it now, it does not differentiate between the man who does an honest day's work and the man who coasts along.

I am one of those who will be looking forward eagerly to the report of Mr. Justice Ivan Rand on the whole issue of unions, and I see from the Premier (Mr. Robarts) that we can hope to have this report in about 8 weeks. I want to take this report and use it to initiate some new thinking into the relationship of the individual worker and the monolithic pressure of the unions which is a movement, I think, that has gone too far in creating special pressure groups. If the report suggests that things are now too entrenched to allow us to revert to more sensible relationships between employers and employees, then I think that we have to counter by setting up the machinery of group participation in the democratic process.

It may well be that the NDP strength that in the past has been owed to organized labour will be more than counterbalanced by the strength that will accrue to other political parties by the group organization of those who presently have no collective voice. And I see this as perhaps the next stage in the evolving of democracy. I think that events will force us into group participation over the entire range of political activity. Among the new forms of political organization will be Action Canada, the new Canadian peace corps type of activity in which unpaid volunteers will move into the poor and underprivileged sector of our society on a voluntary basis. The formation of Action Canada is a clear warning to paid social workers to change their tactics, to forget their enumeration and statistical role, and to get on with their bootstrap starter role.

I ask this simple question. If Action Canada succeeds, how can the province then assert its right to exclusive jurisdiction in the welfare field? Occupancy of a field of interest should be like farming. There ought to be a moral obligation to farm on a farm, or to do something about the lot of the poor if you claim jurisdiction over welfare. You cannot just sit on the field. Action Canada, the new youth movement of socially conscious young people, will make nonsense of this BNA distinction, unless the province immediately changes tack on its welfare effort.

One thing I want to see the province do to retain its initiative is to put books into poor people's homes on a massive scale. I have read the Hall report, and I am familiar with how education is changing, becoming more child-centred and discovery-oriented. But what I see are vast sums being spent on resource-centre libraries, from which the children are bussed away far too early in the day for the resource to be used with any degree of efficiency. I agree with the discovery approach—in fact, so much so, that of the $1 billion a year we now put into education, I would like to see as much as $50 million going into book purchases, not in centralized school libraries which are closed for most of the time but, instead, into the actual homes of the people.

In my plan, every family below an agreed income level, say, $5,000 a year, would get a free set of encyclopedia books, and thereafter the price would be covered by a graduated subsidy. I would negotiate, as the province, for a massive printing of existing encyclopedias—the *World Book, Chambers, Groliers* and so on—so that there would be no suggestion that the contents were coloured by the size of the order. I am talking $50 million, and I would hope that with a printing this size, split perhaps 3 ways between the major producers of encyclopedias, we could get the cost of a set down from the present $200 to $50. I would then have supplementary resource centre libraries in the schools. I appreciate that there is some danger of uniformity creeping in here, but I think that mass education on the scale of a UNESCO operation is the first priority to raise our underprivileged people up. And if the price of that elevation is a degree of uniformity to begin with, then it is inevitable. The alternative of leaving them to stew in their poverty is far worse, and of far worse social consequence for all of us, than is the suggestion of danger through uniformity, because we have too many of the identical text around. And I should add that educational television ought to be used to supplement and explain basic ideas that would help people move ahead.

This transition period might last for 10 years. I don't think it would be a permanent feature of our Canadian life. I think we can get rid of the poor people's complex once and for all, by a massive infusion of spirit starting right now.

To sum up then:

1. I am against vested interest privilege in one highly-organized set of workers keeping everybody else down. I think that, since we probably are too late to make significant inroads into the privileged power of organized labour, we have to organize the unorganized and to enter into a massive phase of group action for democracy

2. I am in favour of a floor concept, guaranteed annual income to free welfare workers for an educational role, and to take the indignity out of being on the bottom deck of the bus.

3. I want all welfare workers to be educators, bootstrap operators or head-starters. If they cannot do this new job, then get out, and let the unpaid workers of Action Canada move into the field with the obvious consequences for political realignment in the constitutional field. No one should occupy a field who doesn't till it.

4. I want a UNESCO type "education-aid-through-encyclopedias" programme to be put into effect, at least one-twentieth of our total educational budget. And I want this programme to be backed up by educational television that everyone can receive on ordinary channels, with the oldest of sets. The poor cannot afford UHF convertors. They have to take their education on second-hand TV sets and on the channels that are there already.

5. I see the report of the select committee now studying the Smith report, and the federal-provincial tax-sharing conference in the fall, as being the two key factors in the constitutional and political realignment that will make these reforms possible.

Mr. Speaker, Canada cannot afford its present double-decker society. I want to see an equal chance and fair share for everyone, and privilege for none. Only in that way can we make unity meaningful and Canada great.

Mr. R. D. Kennedy (Peel South): Mr. Speaker, in rising to speak on this warm summer day, I reflect on another summer day 25 years ago. August 17 next is a great milestone in the history of this province.

I would like to speak for a moment on the history, perhaps the present, and look into the future for a few minutes today, with the indulgence of the House.

On that day 25 years ago, the Progressive Conservative government of the hon. George A. Drew came to power. Now in the elections held a fortnight earlier—hon. members remember it, the voters of Ontario a fortnight earlier had indicated very clearly that they could tolerate the Liberal government no longer. Now they were not that enthusiastic, they were cautiously prepared to give the Progressive Conservative party a chance to sort out the administrative mess, to re-establish a working relationship with Ottawa and to get the province moving forward again.

Mr. T. P. Reid (Rainy River): Pity they did not do it.

Mr. Kennedy: This is what they said, as as Jack Cahill wrote in the Toronto *Daily Star* on February 14 of this year; here is what he said:

> Relations between Ontario and Ottawa had thus reached, in Hepburn's time, a deep low, creating a crisis in confederation more angry than the current comparatively

dignified rifts caused by Quebec's revolution.

The Ontario Liberal Party was also disastrously bankrupt and so devoid of imagination that most of its members agreed with Hepburn—

Mr. F. Young (Yorkview) Why does the hon. member use the past tense there?

Mr. Kennedy: I am quoting Mr. Cahill, talk to him.

With its budget of about $100 million and population of 3.7 million, had apparently reached a plateau of development on which it would probably remain forever.

I end the quote for the comfort of the members of the Opposition.

Under these circumstances the first budget of the new Progressive Conservative government must have come as a pleasant and refreshing challenge to the people of Ontario. On March 16, 1944, the Provincial Treasurer, the hon. Leslie Frost, summed up the Tory government's plan with these prophetic words:

In planning this budget, the government has had in mind not only the immediate needs of our people. It has constantly kept in view the great task of rehabilitating our service men and women and the work of planning and development at the termination of this struggle.

For the fine old province of Ontario there will be a great future; for our soldiers, sailors and airmen there will be a fit place for heroes to live in.

Mr. E. W. Sopha (Sudbury): That is by Lloyd George.

Mr. Kennedy: That is what he said, and I quote:

We are building, not only for these times, we are planning for a greater population, for industrial expansion, for prosperous farms and for happy and healthy people. We are laying the sure foundation for a greater and stronger Ontario.

It was a wartime budget, Mr. Speaker, and by today's standard could be called almost minute. It forecast gross expenditures of $115 million. The major departmental expenditures were: Highways, $16.8 million; education, $15.7 million—quite a contrast; Health, 12.6 million; and Public Welfare, $11.7 million.

By way of comparison we have this year voted, in the form of grants to school boards, an amount almost five times the entire 1944 Budget. Or we could say that this year's appropriation under The Family Benefits Act is only $5 million less than the total expenditures of 24 years ago.

I think myself, Mr. Speaker, that broadly speaking, if you control the Budget, you control everything. We used to say this on the school board and I think it is applicable. But nevertheless, the quality of government is not determined only by the size of its expenditures. Good government is measurable in terms of the goals and objectives it establishes; the policies and programmes it initiates; and finally, of course, the results it achieves. That is the proof of the pudding.

Based on these criteria, the wisdom and soundness of the planning behind the 1944 and subsequent Budgets of that era has been proven beyond question. They did, indeed, form the sure foundation for the 25 years of progress which have followed and which we have enjoyed, and this is progress equalled by few other jurisdictions in the world.

I will again quote the Toronto *Daily Star* of February 14, 1968:

—reflect the prosperity which Hepburn, his followers and most of the long parade of politicians to pass through Queen's Park gloomy corridors since Confederation, could not even imagine.

And these are the fiscal statistics to which he is referring.

The population has grown from 3.7 million to over 7 million and this growth continues at twice the national rate. Our labour force has expanded to almost 3 million jobs. The average *per capita* income has jumped from $700 to $2,624 in 1967, while the gross provincial product increased to nearly $25 billion. Now *per capita* is man, woman, and child, Mr. Speaker, so this is no small amount.

Ontario's outstanding record of progress since 1943 is a reflection of the dedication, energy and ability of all its citizens to the task of building a greater province and nation, and I think we only need to ravel over this province to see that this is indeed true. You see signs of industry in all areas of the province and progress.

Mr. J. E. Stokes (Thunder Bay): What about up north?

Mr. Kennedy: I have been up north, too. It is a reflection of the consistently high standard of leadership provided by the hon.

George Drew, the hon. Leslie Frost, and the present Prime Minister (Mr. Robarts). It is a reflection of their dedication to Canada, for each of them rejected the narrow provincialism which had been followed by leaders of lesser stature. Instead, Mr. Speaker, these men led us, as we are being led today, along the path of co-operation and conciliation in our relations with the federal government.

It is a reflection of an economic philosophy which successfully inspires and unites the energies, initiatives and skills of our people, and these ensure continued growth and prosperity.

Finally, Mr. Speaker, Ontario's progress must be a measure, or a reflection, of our form of government and of the important contribution made throughout these years by both of the Opposition parties in this Legislature. No government does it alone, and I pay tribute to the Opposition parties—not too much—but I would like them to know that I recognize that they are here, and I sincerely hope they remain there and make their contribution.

Despite this, Mr. Speaker—in spite of these amazing results which have been achieved, including one of the world's highest standards of living—there is greater dissatisfaction throughout Ontario today than ever before. This feeling of unease is not confined to our province, but is, in fact, world-wide. Now *Fortune* magazine states that it has arisen in this decade—a product of such factors as the impact of technology; the revolution of rising expectations—and I would like to refer to that later; the increasing number of broken homes, Mr. Speaker; new cultural modes which deride every traditional virtue and glorify all that is perverse and subversive, and finally, the decline of religion. This is the quote from *Fortune*.

I would like to discuss briefly the particular aspect of this problem most closely related to economics, namely, "The Revolution of Rising Expectations." In this July issue of *Fortune* magazine, Irving Kristol defines this revolution as follows:

> There is nothing more frustrating than to expect the impossible as a matter of right, and yet such expectations are by now second nature to a large part of humanity.
>
> To see something on TV is to feel entitled to it. To be promised something by a politician is to feel immediately deprived of it.

Interjections by hon. members.

Mr. Kennedy: I am quoting *Fortune*, and, if you read it, you would know:

> What is called the "Revolution of Rising Expectations" has reached such gross dimensions that men take it as an insult when they are asked to be reasonable in their desires and demands. The reasonable is what they expect to obtain automatically. The unreasonable is what they look to government to provide by special ingenious efforts.
>
> Through its own credulity, or cynicism or both, modern government does feel compelled to promise, not only the effort, but the success of the effort. But when people are determinedly unreasonable, all promises eventually fail, and coercion of one kind or another is inevitable. In nation after nation such coercion is being desperately relied on.
>
> Because the U.S. is so rich and productive, our society has so far been able, better than any other, to placate the revolution of expectation. Nevertheless, there is a rising irritability, impatience, distemper and mistrust. Each individual in every organized group, whether racial, professional, economic, seeing no justification for self-discipline, and indeed, holding the very idea of self-discipline in a kind of contempt, calls for ever greater discipline to be exercised against the rest. Self-government, the basic principle of the republic, is inexorably being eroded in favour of self-seeking, self-indulging and just plain aggressive selfishness.
>
> This may be the inevitable consequence of affluence, with its emphasis on material goods, or it may be the inevitable consequence of democracy, with its egalitarian dynamic, but it is what is happening. Already, an entire generation exists which simply cannot believe that American school textbooks used to extol self-denial as a virtue.

I think that most members would agree that Kristol's words apply with almost equal validity to the situation in Canada and Ontario. This revolution of rising expectations is but one of the factors threatening to upset the established order on which our society is based. It is an important factor, and it must be controlled and contained if our province is to continue its growth and development. In achieving this control, legislative people at all levels have a critically important part to play, both as individuals and as members of Legislatures, councils, or their particular party.

In respect of this upsetting of established society, I would just like to mention—because I have noticed and listened to the debates throughout the course of this session – an example of socialistic irresponsibility that we have had in the session, an attitude even of inconsistency; it is in *Hansard*, and you can read it, too. Mr. Speaker, this occurred during the debate on the private member's resolution on citizenship training proposed by the hon. member for Hamilton Mountain (Mr. J. R. Smith). This resolution from Hamilton Mountain called upon The Department of Education to initiate a course of studies designed to produce better citizens and to develop a healthy sense of national pride and purpose in our youth. I cannot see anything wrong with that, and neither can the official Opposition. The proposal was strongly endorsed by the hon. member for Kitchener (Mr. Breithaupt) who spoke for the official Opposition. However, it was bitterly attacked by two socialist spokesmen. One was the hon. member for Scarborough West (Mr. Lewis). He said that this kind of resolution was of very little substance. The other socialist critic—and I was surprised by this —was the member for Peterborough (Mr. Pitman).

He seemed to feel that it was much more important for our youth to develop critical faculties and rising expectations than a sense of civic responsibility. He said:

> You have a world in which the whole question of democracy is being questioned, and surely that is what our school system must be doing, continuing that questioning. Not just "shoring up" and convincing young people that they have privileges and they have obligations alone.
>
> One of their privileges and obligations is to criticize the system, and we would surely want to encourage the schools to do that. We want to teach young people to understand themselves and the system in which they live; to see the injustices in our system, to see the squalor in our cities, and ask the question "Why, in an affluent society?"

He went on to say:

> Surely we do not want a citizenship course which is going to teach them to revere Canadian citizenship.

Interjections by hon. members.

Mr. W. G. Pitman (Peterborough): Finish the quote.

Mr. Kennedy: That is the end of it; look to *Hansard* on February 26.

Mr. Pitman: That is out of context.

Mr. Kennedy: That is not out of context, the hon. member said that!

Mr. Speaker: Order!

Mr. Kennedy: I give the hon. member the quote. He said it, I did not. Mr. Speaker, I am sure that most responsible members in this House would not support teaching that encourages defiance of authority, or discredit of our Canadian citizenship.

Mr. J. Renwick (Riverdale): He did not say that.

Mr. Kennedy: No. I am saying that.

Mr. J. Renwick: The member for Peterborough did not say that.

Mr. Kennedy: Read *Hansard* for February 26, it is right out of the book.

Mr. Young: It was wrong then.

Mr. Kennedy: If it was wrong, then he could have corrected it. In fact, this attitude could very well foster subversion, and I would suggest—

Interjections by hon. members.

Mr. Kennedy: I would suggest that the hon. member look up the definition of subversion in the dictionary.

Mr. Speaker: Perhaps this might be a suitable time for the member to carry on after lunch?

Mr. Kennedy: Okay, but we must not forget where we left off.

It being 12:30 o'clock, p.m., the House took recess.

Legislature of Ontario Debates

No. 157

ONTARIO

Legislature of Ontario Debates

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Thursday, July 18, 1968

Afternoon Session

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Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JULY 18, 1968

The House resumed at 2:00 o'clock, p.m.

BUDGET DEBATE

(Continued)

Mr. Speaker: The member for Peel South.

Mr. R. D. Kennedy (Peel South): Mr. Speaker, prior to the lunch recess, I was making some observations on some earlier remarks by various members. For specific members, the point I would like to—I am not just sure where I finished speaking; in fact I am not sure I did finish. I think some of the Opposition were speaking at the time. I will try and pick that up.

We had the remarks from the hon. member for Peterborough (Mr. Pitman) as recorded in *Hansard:*

> Surely we do not want a citizenship course which is going to teach them how to revere their Canadian citizenship.

And this was in reference to the school programme. I mentioned such an attitude as this, if pursued to its ultimate, could result in subversion and this brought forth some observation and comment. I gave considerable thought to that word, and I looked it up in the dictionary, and perhaps I might make reference to Oxford's definition. It says:

> Overturn, upset, affect; effect destruction or overthrow of religion, monarchy, the constitution, principles, morality.

So there is quite a wide range of definitions and we will put our interpretation on it, the Opposition and the NDP can put theirs; and I am sure the people of Ontario will put their own.

An hon. member: Sock it to 'em!

Mr. Speaker: Order! The member for Peterborough has a point of order.

Mr. W. G. Pitman (Peterborough): I am sure the hon. member would not wish to mislead the House. The use of the term "subversion" is his own. I do not think he will find the term "subversion" in the speech on which he is commenting.

Mr. Speaker: The member for Peel South has the floor.

Mr. Kennedy: I did not hear those comments.

Mr. Pitman: There is no talk of subversion in that speech. The hon. member is using the term "subversion".

Mr. Kennedy: Yes.

Mr. Pitman: Good! I wanted to make sure the hon. member made that very clear.

Mr. Kennedy: But there is a rather interesting point here, Mr. Speaker. The remarks of these two spokesmen were directly contrary to the views expressed by their leader, the hon. member for York South (Mr. MacDonald).

Interjection by an hon. member.

Mr. Kennedy: Yes, they were. He said, in summing up the Throne Speech, that it does not reflect the sense of purpose—he was critical of the government and the Throne Speech—and direction which he had hoped this government of Ontario would bring to a Confederation under stress. It has not nurtured the aspirations of a genuine and legitimate Canadian nationalism. So, the leader of the NDP supports Canadian nationalism.

Mr. D. C. MacDonald (York South): Thanks!

Mr. Kennedy: Well, I am reading from the record. But the point is that there is a great difference of opinion. And is it any wonder that I suggest, Mr. Speaker, that there is a lot of irresponsibility and inconsistency within the NDP which leaves us confused?

Interjections by hon. members.

Mr. Kennedy: However, I want to go on to some other things, Mr. Speaker. I would like to look—these leftists on my right seem to have really got excited over this one!

Now I would like to look for a moment at the impact of this revolution of rising expectations on the government. In the

Canada of 1867, fewer than one in 100 Canadians was employed by government—federal, provincial or municipal. Today, the ratio has reached one in eight, and it is still climbing. And this is not so unreasonable because so are the services of government, and it will continue to climb as long as governments provide more services.

Now, I would like to interject here, if I might, Mr. Speaker, that the member for Grey-Bruce (Mr. Sargent), over the course of this session, continually, or periodically perhaps is a more accurate word, swipes at the civil service and criticizes their lack of energy and dedication to their task. Now this may be his experience, I do not know. But it certainly is not mine.

An hon. member: What member is that?

Mr. Kennedy: Grey-Bruce.

But in my experience, they are a dedicated group who address themselves to the task with considerable concern for their work and, with many, their service is above and beyond what the hours of work and regulations call for. So I associate myself with the Provincial Treasurer (Mr. MacNaughton), who paid tribute to them. With 50,000, certainly they are not going to be of equal stature. I remember reading a magazine article at one time where the comment on the civil service was that, as a group, they were a highly skilled and competent group of people. So, as I say, I join the ranks of those who support the people who conduct the business of the province in accordance with their terms of reference.

To go on: Last year's spending by the three levels of government in this country rose at double the rate of growth in the nation's economy. For the first time in our peacetime history, spending by the public sector accounted for more than one-third of the gross national product. The actual figure was 34.1 per cent. That is Tory humaneness.

For that reason, Mr. Speaker, I heartily endorse our government's actions to improve its efficiency and to curtail expenditures. The Provincial Treasurer stated on March 12:

> We share the general concern about the pace at which government spending has been growing and apparently will continue to grow. We also are acutely conscious that costs and prices have been outrunning our productivity and that government deficits have contributed to the inflation which is undermining our ability to compete. What is needed to meet these problems is co-ordinated action by all governments. We must establish priorities for government spending as a whole. We must reform the entire spectrum of taxation. Above all, we must agree on a division of tax fields which will enable each government to finance its responsibilities and commitments effectively.

Now I would like to mention very briefly, Mr. Speaker, the question of welfare. In this same issue of *Fortune* which I mentioned earlier, there is an article entitled, "A Way Out of the Welfare Mess". I believe portions of this article are worth drawing to the attention of the members. It suggests that our primary goal in this field should be to "pull people aboard the economy," that is the phrase used.

The article expresses concern over the extent, the inequality and the numerous methods of welfare in the United States. The programme is complicated by mountains of paperwork and millions of house-to-house calls, involving an administrative overhead which amounts to at least 10 cents for every dollar received by those in need, 10 per cent according to this article.

It states further that in order to stem the rising tide of welfare dependency, the United States must turn its idle people into useful workers.

In another paragraph, it goes on as follows:

> In *Fortune's* view, the only objective that makes sense is an across-the-board attack on the whole problem of welfare "dependency."
>
> By now, it is widely accepted that this nation is rich enough to provide a minimum level of subsistence to those who have missed the train of United States economy. This means supplementing the incomes of everyone genuinely in need, through a system that is efficient and dignified and that contains built-in incentives for families to stay together and for the able-bodied to seek work.
>
> While children's allowances and the negative income tax have their merits, most of the same advantages could be gained by re-vamping the present welfare system. This approach should be tried before more radical change is attempted.

It goes on to say:

> Such a strategy will be self-defeating, however, unless it is coupled with an intensive effort to pull as many as possible aboard the economy.
>
> To get some of these people into the labour force will require not only financial incentives but education, training and a major expansion of the country's grossly inadequate day-care facilities for children.

> For some, government will also have to provide jobs as employer of last resort.

Well, Mr. Speaker, I endorse programmes of providing incentives and initiatives, as we are attempting to do, in order to get as many people as possible absorbed in meaningful work. In this manner they will maintain their dignity and pride because they will be playing a useful part in the development of our province and in improving the quality of life for all our residents.

Now there are a couple of other developments that are encouraging. On December 20, 1967, Dr. John Deutsch, former chairman of the economic council of Canada was quoted in the *Globe and Mail* as saying:

> The fact of the matter is that neither our governments, nor our public services generally, are well organized for the careful co-ordination of policies or programmes.

The re-organization of the Treasury, announced in the Budget Speech, into a Department of Finance and Economics and a Department of Revenue is further evidence, I suggest, Mr. Speaker, of the determination of our government to keep abreast of modern requirements and to reduce waste and promote efficiency in our public sector.

In the same speech, Dr. Deutsch also mentioned the need for decentralizing skills and resources to regional and local levels. Here again, Mr. Speaker, I suggest that Ontario is leading the way. All members of this House were delighted and pleased to learn from the Minister of Education (Mr. Davis), during his estimates, that he intends to decentralize many of the present responsibilities of the department of the newly established larger units of school administration.

This is a radical, refreshing and responsible approach, I suggest, Mr. Speaker, to the problem of government as we enter our second century. I feel certain that the example set by The Department of Education can and will be emulated by others in the near future.

So, Mr. Speaker, after 25 years of progress, I think we can assert that Ontario has a great future. There is no plateau, as was suggested earlier in my remarks, in connection with a former government, no stagnation is in sight. We can still assert that our leadership is of the same outstanding calibre. Mr. Speaker, the economic philosophy of our party, I feel, offers the brightest hope of fulfilling the legitimate and reasonable expectations of our people.

Mr. G. Bukator (Niagara Falls): Mr. Speaker, on two or three occasions I was—

Mr. R. Gisborn (Hamilton East): Mr. Speaker, are we going to follow the list that we agreed upon?

Mr. Bukator: May I just take one minute to put the record straight?

Mr. Gisborn: That is sufficient reason for replacing another member, I assume.

Mr. Bukator: May I just take one minute to set the record straight? I was asked this morning to speak in fourth place. I bowed out for another gentleman. I was informed that I would speak after the member for Peel South. I am on my feet, I would be happy to bow to—

Mr. Speaker: The member is quite correct. Before the luncheon period, the member who should have been speaking next for the New Democratic Party was not here. The deputy party leader advised me he would be in at 2 o'clock this afternoon but the member for Niagara Falls had been asked to fill in before the noon hour, if we ran out of time for the speech of the member for Peel South. Therefore, I think it would be only right that the member for Niagara Falls should have the opportunity now of making his address to the House because he was ready and willing to carry on before lunch time.

Mr. J. Renwick (Riverdale): Mr. Speaker, I do not want to get into the argument. I just want to correct the impression I got from your remarks. My note was simply that the member for Sandwich-Riverside (Mr. Burr) was not able to be here and, therefore, was going to take the place of the member for Wentworth (Mr. Deans) when that point arose on the list.

Mr. Speaker: Yes, that is quite correct.

Mr. J. Renwick: When I informed you that the member for Sandwich-Riverside expected to be here at 2 o'clock, it was just so that he would take his place in order when the time came.

Mr. Speaker: I acknowledge the correctness of the member's remarks but I would point out that I have had an amended list. I have had two or three amendments to the amended list and I am pointing out that the member for Niagara Falls was kind enough, when time was running short before the noon hour, to come in. He came in and took his

seat and was ready to proceed if it had been necessary to have another address at that time.

It is up to the party whips to arrange these lists, but I would think that out of recognition for the member's courtesy before lunch, he might readily be given that place, but if he wishes to waive that right of priority to which I think he is entitled, I have no objection to a member from the New Democratic Party now speaking, but I have no indication as to who that member might be in view of the change in the lists given to me.

Mr. Gisborn: Mr. Speaker, the whips have been working very closely together, and we agreed that when one member stepped out and was replaced by another member of his own party, that that member would revert to that position. The member for Welland South (Mr. Haggerty) took the place of the member for Niagara Falls. I then reversed the names, and the member for Niagara Falls now is seven or eight down the list.

Mr. Bukator: Being a hot day, I will be no better prepared seven or eight spots from now than I am now. As you see I have my speech before me, well prepared. I am a very peaceful man, and on this occasion I would submit to another member. I am happy to do so.

Mr. Speaker: Order. The member for—

Mr. Gisborn: Mr. Speaker, the notes he has before him tells him who the member is.

Mr. Speaker: Order. The member for Eglinton has something to add to this discussion.

Mr. L. M. Reilly (Eglinton): I would just like to say, Mr. Speaker, knowing the member for Niagara Falls is a very reasonable member, I realize that he would, of course, yield the floor to the New Democratic member next. Now perhaps I can accept some of the responsibility and the blame for not giving you a modified, up-to-date version of the new list. In this hot weather, it is very difficult to get all members here when required, and what is stated by the members of the New Democratic Party, at the present time, is correct, and I will give you an up-to-date list in just a moment or two.

Mr. Speaker: It is very unseemly and unfortunate that there should be such a discussion over such a matter, and I would say to the member for Hamilton East that the whips may decide and may work things out among themselves very well, but the conduct of the order of speakers in this House rests with the chair, and unless the chair is advised by the whips, I do not think the responsibility rests on the chief government whip any more than on any of the other whips. Unless the Speaker is advised of the order and the changes, it is quite impossible for him to do other than try to bear with the members, and that was my viewpoint with respect to the member for Niagara Falls.

The matter having been now settled, I would hope that the whips—and not just the chief government whip—would see that the chair receives some indication as to how the matters are to proceed because not only have there been substitutions, there have been changes in the orders on the list that has been given to me. So now, I am most anxious to have this debate go on and everyone have an opportunity to make their speech in the proper order but if I do not know what it is, I cannot possibly pick the right member when he stands to his feet.

The member for Peterborough (Mr. Pitman), I presume, is the next speaker. Before the member for Peterborough proceeds, might I ask the whips, so that we will know who is the next speaker and will at least go two speeches without being in difficulty, will the next one be the member for York Centre (Mr. Deacon)?

I will be very pleased now not to interrupt any further. The member for Peterborough.

Mr. Pitman: First may I state my appreciation to the member for Niagara Falls (Mr. Bukator) for giving me the floor. May I begin my contribution by answering some of the comments that were made by the member for Peel South (Mr. Kennedy) this morning and early this afternoon?

First, I would like to congratulate him on his concession that the role of the Opposition parties in this House has been an important one over the past few months. I would like to say, personally, that this has been a most satisfying session. I would like to join the member for Lakeshore (Mr. Lawlor) in saying this. It has been valuable, it has been useful, it has been fruitful and productive; and I would suggest to you that I think the official Opposition and the New Democratic Party has played its role in making that session productive and fruitful. I think it is important that the members of the government particularly recognize the role that the Opposition does and should play. Yesterday afternoon, during the estimates of

the Minister of Mines (Mr. A. F. Lawrence), a comment was made, not quite genuinely I am sure, that delays were taking place until the session was over and until the Ministers would have time to get back to their work. And the impression was left—and it was refuted effectively I think, by the member for Riverdale (Mr. J. Renwick)—that this Legislature is not a peripheral aspect of government, it is a central aspect of government.

The Opposition's role is to be here, to criticize, to examine and to play its role in creating the kind of democracy which both government and Opposition have an interest in maintaining in this House. Now, although it may seem to government members that on occasion we do very little in adding to the governmental activities in this sense, I think we do play a very effective role. And I think it is important that we remember that those areas in the world which we regard as undemocratic are not so because they do not have elections. There are very few jurisdictions in the world in which elections do not take place. The main difference between the democracy which we enjoy here in Canada and the western world, and those jurisdictions whcih we regard as undemocratic, is the fact that there is not an organized Opposition in the halls of the Legislatures of those countries.

Some hon. members: Hear, hear!

Mr. Pitman: That is the main difference.

Hon. A. Grossman (Minister of Correctional Services): We agree with that. There is nothing new in that.

Mr. Pitman: Well I agree I am very glad to hear the Minister of Correctional Services admit this.

An hon. member: Did anybody say no?

Mr. Pitman: No, indeed. I am not suggesting that anybody has said no, but very, very often there has been a degree of impatience expressed. Perhaps not so much by the front benches as by the back benches of the government. Now, I just want to make this point clear in regard to what has gone on in this session. There have been, for example, comments from the government benches that this session has gone on too long, that it is being stretched out. Yet I think if you look at the amount of time which we have spent here in this Legislature, from the middle of February to the middle of July, it is not a long time to be carrying on the public business of this province. Indeed, if the session had begun at the usual time, the middle of January, we would have been out of here by the end of June, which would not, I think, have been an inappropriate period of time to be spending on the millions of dollars which are spent by this government in carrying on the public business of this province. And I think that this point simply needs to be made, and particularly in view of the comments which the member for Peel South gave me the opportunity of commenting on.

The rest of his comments, I must say, could not be regarded with quite the same enthusiasm. I can assure him that this will not be another period of self-renunciation. I do not intend to withdraw any of the statements which I made in that early speech in the session. In fact I think it was the first speech I made in the session. But I do think, and I do suggest to the member for Peel South that one of the most effective aspects of debate in this House is to expose real differences of opinion. And I suggest that the distortions which were brought forward this morning in regard to my comments on that date do not really expose the difference of opinion; rather they distort what was said. But I would like to continue the paragraph which the member for Peel South took the liberty of quoting, along with other parts of that speech.

It will begin:

> Surely we do not want a citizenship course which is going to teach them how to revere Canadian citizenship.

I checked my dictionary during the noon hour, and although this was an unprepared speech, Mr. Speaker, I did choose my word very carefully in this case. I did not say we should not "respect". I said we should not "revere". And what does "revere" mean? It means "regard as sacred or exalted". And I suggest to you that no man-made form of government should be regarded as sacred or exalted in any context in any country in this world. May I go on? What I did say was this:

Interjection by an hon. member.

Mr. Pitman: Why not? I would be very glad to deal with that point right now. As long as there are people who do not have homes, as long as there are emotionally disturbed children who cannot receive treatment, as long as there are men in this province who do not have jobs, as long as there are people who are not getting equal opportunity for education, as long, indeed, as there is injustice in this province, as long as it appears that organized crime walks

hand in hand with authority, then there is no reason to exalt the citizenship of any jurisdiction, because to exalt is to accept, and I do not accept that as a necessary part of a society. I would suggest as well—and I think I speak for my colleagues in that regard as well.

Mr. J. Renwick (Riverdale): Hear, hear!

Mr. Pitman: To exalt is to accept; I do not accept that; I do not accept that it has to be. I think we are moving towards a reformation of those things. As well as that, I would suggest—and here I think that the member did finally agree—that the use of the term "subversion" was his own. When he suggested that I was counselling subversion, I think that this was a complete distortion.

Mr. R. D. Kennedy (Peel South): Mr. Speaker, on a point of order. That is not what I said. I said it could lead to that. I did not suggest that the hon. member was introducing that.

Mr. Pitman: I would suggest, Mr. Speaker, that if my words on that day lead to subversion, it is a turn of mind which believes that to criticize anything is to agree to subversion; it is to question; it is to be a revolutionary, and I suggest that that is not an appropriate frame of mind for the 1960's. But I would like to finish this particular paragraph and then I would like to go on with it.

This sentence follows the one which was quoted by the member for Peel South:

> What they want—and I am speaking of young people—to know is, how do you make a democracy live up to its word? Let us create sensitive, committed, concerned young people; then I think we can stop worrying about whether they will be good citizens. How do you stimulate a deep sense of national pride?

This is what we were talking about on that afternoon. A national pride with which I am entirely in agreement, but a real national pride. How do we do this? I turn again to my point:

> You create critical minds and you stimulate them.

So I would suggest that the comments of the member for Peel South not only distort but are somewhat unfair in that context.

Today I would like to deal with a matter which I think deserves some attention before this Legislature closes. During this session of the Legislature one of the most important documents, I think, which this province has seen, came before it. I am referring of course, to the report on the aims and objectives of education in the province of Ontario—what has become known more commonly as the Hall-Dennis report.

I do not hesitate to bring before this government, during this Budget debate, what I believe to be the implications of this report on the total budget of this province in the coming year and in future years.

During the Budget Speech, the Provincial Treasurer (Mr. MacNaughton), indicated a high priority which this government has accorded to education. Here I quote:

> Of all our activities, education must be given the highest priority. Education is our principal tool for increasing the productive capacity of the economy, for creating a better society and for providing the opportunity to every citizen to develop to his fullest potential.

Now I would suggest, Mr. Speaker, if the Provincial Treasurer had placed those in the opposite order and talked about the human potential first and a better society and then, a more productive economy, he would have virtually expressed the philosophy of the Hall-Dennis report.

I wish to suggest on this occasion, that if for no other reason, the Hall-Dennis report is a very good reason for recognizing the importance of the complete change in the taxation policy and the fiscal policies of this provincial government.

We have already seen the extent to which, just in the past two or three years, education has put tremendous demands upon the resources of this province. I could mention only two or three developments which I am sure hon. members would recognize as making these demands.

First of course, the development of 19 colleges of applied arts and technology. Some of these colleges already have facilities, because they are essentially renamed institutes of trade and technology, which existed before. But in other cases it means new buildings, new campuses; in some cases it may very well mean residential accommodation. It will certainly mean a tremendous expenditure in facilities and, in equipment, to say nothing, of course, of human resources—of teachers, professors, and so on.

A second development is the decision of this government to give a high priority to the recommendations of the McLeod report. In this report it is suggested that the whole development of teacher education should take place not in teachers' colleges, as they now exist, but should come within the purview of the 15 provincial universities. Here again, I suggest, Mr. Speaker, it will mean a great

cost to the province. It means new buildings, new facilities—a whole complex of costly development which will bear hard upon the revenues of the province.

A third major development, of course, is Bill 44, which we passed in this session just a few days ago. We are creating larger units of educational administration. It is, I think, completely wrong to believe that in so doing we are going to cut down the cost of education. There may be one or two areas where, because of criss-crossing bus routes, because of the misuse of human resources and personnel, there may be a saving. But I would suggest that, in total, you will find a massive demand for expenditure, particularly in the rural areas of this province. It will not cut down the cost in any sense whatsoever.

You will soon find the areas which will now be contiguous to larger centres will be demanding kindergartens; demanding French in lower grades in school; demanding guidance services; demanding a whole series of services which, at present, are found probably in only one or two or three of the most sophisticated urban centres in this province. These demands will come hard and fast, and I suggest to you, Mr. Speaker, that this will place a tremendous burden upon the local municipality.

Of course, the Minister in his comments suggested that, with a wider base and more stable municipal tax resources, it might be possible to expect municipalities to bear more effectively educational loads. But I am sure the Minister would not wish to indicate to this House that the province will be, in any way, able to throw a greater responsibility on local resources. Because, surely, every member in this House is conscious of the feelings of each municipality—that they can no longer bear the degree of expenditure at the municipal level which they have for educational costs at the present time.

To suggest that you can take the budgets of larger centres and spread them over a rural area is absolutely hopeless, as we can see. Even the municipality of Toronto, which surely has the greatest degree of opportunity to tap the widest sources of revenue, is unable to carry out its responsibility in some important areas in the educational system.

So I suggest to you, Mr. Speaker, that as things stand now, the priorities that have already been given to education will make tremendous demands upon this province.

If I might point to the Hall-Dennis report itself, there is some thought in some cases that the costs will not rise to any great extent, and I think once again this is a misconception and one which this province would do well to dispel immediately. There are some areas where there will not be greater costs, for example removing grade 13; although the costs will perhaps be passed on to the university level that will not be an added cost.

The ending of the lock-step system of grades—the fact that a young person will be able to be in a school and can be in grade 9, or 10 or 11, be taking courses at various levels—courses he wishes to take rather than those that are stipulated by departmental decree—these will not be extra costs.

The fact that the whole educational system will be an exploration instead of the regurgitating of facts for examination purposes, and the whole re-organization of disciplines as suggested by the report will not be an added cost. Obviously, the giving of greater initiative to students and the end of corporate punishment does not represent greater cost.

The extended use of school facilities to the municipality will indeed, I would suggest, be a means of reducing costs in other areas. But surely, Mr. Speaker, it is wrong to suggest that in total there will be a reduction, because once one gets into the meat of the Hall-Dennis report one realizes the extent to which this bill becomes a greater and greater burden upon the taxpayers of this province.

First, a system such as suggested by the Hall-Dennis report demands smaller classes, it demands more teachers, it demands better trained teachers, it demands a whole complex for the retraining of teachers, allowing teachers to take time off, and be relieved of their work, to go back for this kind of retraining for two or three months. You cannot retrain a teacher for this kind of an educational system on a Saturday morning and we must as a province accept this idea of professional development within the educational system.

It demands a whole expansion and a greater sophistication of educational facilities. It demands an expansion of our health and psychological services which are associated with schools—and this is a costly item, as every school board has realized when it has launched into this particular area.

The call for pre-school classes—all members of the Opposition, I think, and some of the government members have been calling

for this—in order to give every young person equal opportunity for educational experience, in bringing young people up to a certain level before they reach kindergarten in order to get the greatest benefit from their educational experience.

The whole expanding of subject areas and the use of other people like musicians and artists and actors in the schools is a costly expenditure as one soon realizes. The development of different language studies other than French will be a costly effort. The development of experimental schools in order to keep our educational system moving with society will cost a great deal. The area of special education for disturbed children, and children who are physically handicapped, deaf, blind, which will be placed on the local scene—they will all be a greater expense to the province. The emphasis on field trips, on education outside the classroom, and other occasions—costs for buses, and the trips —all these have to be accounted for.

The province has to accept the fact that more and more of the budget of the province will become involved in education, and it will increase. As soon as the Hall-Dennis report is considered—and I hope that this will be soon—and the various recommendations approved, I think that we will have to accept an increased education cost as the nature of the future of the province.

Yesterday or the day before I said that there are two areas where a massive expansion will occur in the costs of government. One was the cost of education, and the other urban affairs and urban renewal. I hope that there will also be some areas where we will see a reduction in expenses. I am sure that the Minister of Correctional Services would be happy to see his budget reduced in terms of fewer jails due to a lack of need for them. One would hope that this educational system might create this kind of situation. So I am not suggesting that expansion is inevitable in every area, but education and urban affairs are going to occasion a demand on the expansion of the budget of this province.

I now come to what I consider my major point, and one which we have made again and again on this side, and this is recommended by the Hall-Dennis report, No. 257:

> To give urgent and immediate attention to a search for new ways of financing that will eliminate the residential property tax as a source of support for education, and that will ensure quality and equality without loss to local prerogative.

Mr. E. W. Sopha (Sudbury): That is our platform!

Mr. Pitman: We have suggested that we must bring up the cost to the province to the point where it is paying 80 per cent of the cost of education. At the same time, we must turn to the federal government and somehow force recognition on the part of the federal authorities that the main areas of activity in this country over the next 20 years will be in the areas of education and urban affairs, and to recognize that the tax sources must be distributed in order to take into account that simple fact.

As well as that, of course, there must be recognition of the need for an equitable tax system. I would suggest that we are well on the way. We have a committee dealing with the Smith report, and I would hope that very soon there will be a recognition of the recommendations of the Carter report at the federal level. There are sources of taxation that we have not tapped, and there is an inequitable tax system now which is grossly unfair to a great many people in this country.

We cannot expect people to accept their social responsibilities in this country unless they are sure that they have a fair tax being imposed upon them. People are not so outraged by high tax as they are by unfair taxes. I would suggest to the members of the House that this is the case today. There is the feeling that there is unfair taxation on the part of the middle income salary earner, and certainly the property owner feels that he is unfairly taxed.

Thirdly, we just must, within our province, and this is tied in closely to the taxation system, re-organize to have a meaningful system of regional government where taxation can be made worthwhile. Now, in just a moment, I will suggest to the government that it is a worthwhile project, and that it is important that we look at the Hall-Dennis report, because I think that it does provide a blueprint for the future of education in the province. It is a breakthrough.

Now, I am not saying that there is anything that is essentially new in the Hall-Dennis report, but it is because of the comprehensiveness of all these recommendations that there is something new and exciting about the way in which they are integrated, and combined, and in which you create, as a result, a whole new perspective and aura, in which an educational system can resolve itself.

I would say that over the past number of years, we have not had an educational philosophy in this province. We really did not know what the educational philosophy was in the schools that were operating under the aegis of The Department of Education. I suggest that this report exposes, in what I would call the *ad hoc* kind of philosophy on which I am afraid most of our actions have been depended. It has been reflected in the belief that we are really producing people who will work in our society. That is certainly part of it. I would suggest that this is peripheral, rather than central.

I would suggest that the Hall-Dennis emphasis on individual development, and upon the individual educational experience and the development of the fullest potential of the individual, is the philosophy that we must turn to at the present time. Now, I said that we had been working on an *ad hoc* basis. This is largely because of where we have put our money, and strangely enough, not so much where this government has put its money, but where the federal government decided to put its money.

I can remember in 1960, when the legislation came down from Ottawa entitled, The Vocational Training Act, and millions of dollars were poured into the provincial system, there was no one who made any philosophical decision as to the effect this would have on the educational experience of the children of the province. If you went to the federal government, all they said was, "All we do is to hand money to the municipal authority". If you went to the provincial authority, they said, "We have nothing to do with it, all we do is to approve the buildings which have been financed by the federal government, and requested by the municipality". And, if you went to municipalities, they were not very sure essentially what it was all about but they did know that they were getting a great deal of money for nothing.

As a result of this, there was a complete re-orientation of our education system, and this spilled out, not just in more vocational courses, but ended up in a streaming system, and the Hall-Dennis report suggested that this is inappropriate in the 1960's and should be, and now is being, dispensed with in some schools in our province. It had its effect also in the guidance courses, where you had these terrible charts in each office, you know the ones, "If you stay in school long enough, you can earn $25,000 a year!"

Mr. Speaker, I would suggest to you that this is a gross distortion of the purpose of education. For the first time, we have the opportunity to create a system of education based on what I would hope to be a philosophy which would receive the acceptance of everyone in this House.

I think, as well, it does not regard society in realistic terms. I do not think that it is unreal in that it is reaching for some kind of paradise.

It is real in the sense that it recognizes that certain young people do not have equal opportunity for education, because of their background, and there is the suggestion that the education, and here I quote from the report:

> Shall take all who respond to its call out of their poverty, out of the slums and despair.

It is sometimes surprising to find a report that accepts the fact that there are slums and people in despair in the province of opportunity:

> That will spur the talented to find heights of achievement and provide each child with the experience of success, and give mobility to the crippled, eliminate the dark road of the blind, provide solace to the disordered mind, and peace to the emotionally disturbed.

This is a realism that recognizes that the role of the educational system is essentially in the creation of a viable individual and recognizes, in its realism, what we have now, which are inflexible programmes. And here I quote:

> Inflexible programmes, outdated curricula, unrealistic regulations, regimented organization, mistaken aims, alienated students, frustrated teachers, irate parents, and concerned educators.

As well, it recognized the realism of the human predicament that we have in this country in relation to French-English relations, but I will not go into that.

In closing, what kind of society does the Hall-Dennis report attempt to relate it all to? First, and this, I think, is its greatest glory, it does not try to relate itself to the present society but to the kind of society that we are striving for. We are looking ahead, and the Hall-Dennis report recognizes the existence of a leisure society, which we will have by the time the young people are grown up who are now entering our education system. And for that reason, it suggests a great many

subjects which are given short shrift in our education system in the past.

Mr. Sopha: Such as ballet.

Mr. Pitman: Yes, indeed, such as ballet!

It recognizes, as well, that it is a fast changing society, and that the most that an educational system can do today is to prepare a flexible young person who can change his views, and his vocation. It recognizes also that a young person will probably work at many jobs and will be trained, and retrained, and retrained, and that there is very little point in spending our efforts in the early years and trying to produce a person to fit a slot in a particular job. It recognizes, as well, a society in which I think the whole concept of competition is subverted by the concept of co-operation.

It recognizes a society in which young people will have to co-operate with each other—and this is the area, I am afraid, where most of the flak has arisen because many industrialists see a great problem arising as to what will happen to these young people as they come through their schools, where they have freedom of choice and freedom of expression, and have to fit into the kind of regimented society which we have in many areas today in this province, and indeed, in this country—where they will have to be a cog in an industrial machine. I think the recognition that the educational system has a revolutionary role in trying to change society, and trying to make it less dehumanized, depersonalized, is I think the other great achievement of this particular report.

Its effect on society, I think, will be to make it a more compassionate society where young people of Ontario will be concerned about Biafra and other parts of the world. As well, it will produce able, intelligent people who will be productive, because they will be human beings in the fullest sense of the word. Besides that, of course, you will produce—and what better way could you use your resources—a happier, fulfilled citizenry.

I think, if I might place the views of this group before this House, we stand foursquare in support of the kinds of views that are expressed by this report and we ask first that you get on with it and second that you reorganize the resources of this province to pay for it.

Mr. Reilly: Most members of this Legislature are familiar with my resolution on the order paper regarding compulsory unionism. Since private members' debates have been discontinued, I have decided to record my views on this subject as part of the Budget debate.

Some members of the New Democratic Party defend compulsory unionism by maintaining that members of other professions are denied to the right to work unless they join an organization. They have stated that lawyers and doctors cannot practice unless they join their associations and that teachers must join an organization before they are allowed to teach. I suggest, Mr. Speaker, that there is a decided difference. Members of the legal profession are disciplined by the law society of Upper Canada. A committee of the society supervises the accounting of trusts managed by lawyers. These spot checks are carried out by chartered accountants who are retained by the law society. This society establishes ethical standards for the profession, supervises all advertising done by the lawyers, and sets out a tariff schedule for court work. In other words, bar fees paid to the law society each year are paid to help ensure professional conduct and to maintain standards which are in the interests of the public.

Mr. J. Renwick (Riverdale): Mr. Speaker, on a point of order, the hon. member for Eglinton would not want to be incorrect in a statement which he made, but the law society of Upper Canada does not establish any tariffs of fees for the lawyers in this province.

Mr. Reilly: I am delighted, of course, to hear the interjection by the hon. member for Riverdale, a man for whom I have the greatest respect.

Mr. E. W. Sopha (Sudbury): That was written by a ghost writer who is not a lawyer.

Mr. Reilly: On the contrary—the hon. member for Sudbury may be interested in knowing that I did the personal research and I have no one to blame except myself if it is inaccurate. Perhaps the law society could be considered more appropriately as a licensing agency. It is not mandatory for a lawyer to join the Canadian bar association. It is a voluntary association of individual lawyers.

Regarding medical practice by doctors, it can be said that the two main bodies in the medical profession are similar to the legal profession. One is the Ontario college of physicians and surgeons and the other is the Ontario medical association. The Ontario college of physicians and surgeons is primarily a licensing and disciplinary body. This body

certifies, and could decertify a doctor for malpractice. A yearly fee must be paid into the college by all doctors. Once again, this policing of the profession is done in the interests of the general public. It is not necessary for a doctor to join the Ontario medical association—it is stricly a voluntary association.

I am prepared to admit that the situation regarding teachers in the province of Ontario is somewhat different. All qualified teachers—and as a matter of fact I discussed this with my good friend the hon. member for Peterborough—as defined in The Teacher Profession Act of the province of Ontario, who are under contract or at least have an agreement with a board of education, are required to be members of the Ontario teachers' federation.

As I understand it, only supply or casual teachers who teach less than 20 days per year are exempt from membership in the OTF. Fees are deducted by the various boards of education arbitrarily and the only teachers who are exempted from membership in the Ontario federation of teachers are those who specifically asked to be exempted when The Teacher Profession Act was passed in 1944. Candidly, I am of the opinion that it should not be necessary for a teacher to join an organization in order to teach. In my opinion, once a person is fully qualified to teach and has been properly and officially certified he should be able to teach without joining an organization or should be free to join an organization of his own choice. It must be pointed out, however, that these professional groups do not officially engage in financing or promoting political parties.

It is also argued by New Democratic members and union leaders that the majority rule should govern. Indeed, a union may properly use the majority rule principle to arrive at decisions. But this should be done to conduct its internal business. It has no right to interfere with the constitutional rights of workers outside its membership. What logic is there to saying that because non-members cannot represent themselves, they must also forfeit their right to choose whether or not to belong to a specific union?

To say, as the defenders of compulsory unionism do, that the Canadian bill of rights does not intend to have the minority destroy the rights of the majority is nonsense in this context. The intention of constitutional rights is indeed to protect the minorities against the claims of the majority. It is often the only defence they have. The minority is always outnumbered, and if basic freedoms can be granted or withheld by the power of majority vote, we could very easily slip into the dictatorship of the majority. The assumption underlying the view of majority right espoused by the proponents of compulsory unionism is that truth and right are determined by the largest numbers.

It should be realized that in a true democracy the majority's civil rights and liberties are no greater than those of the minority. Both groups should enjoy equality before the law. This question of equality is a vital one. It lies at the core of justice and liberty. And so, to allow the majority to trample under foot the constitutional rights by denying the minority its freedom of expression, is to destroy the free way of life.

In this connection it is relevant to quote from the first book of the Royal commission on bilingualism and biculturalism. The commission's observation contains much food for thought, particularly for the power-hungry majorities. It goes on to say that:

> A majority does not abdicate when it resolves to take a minority into consideration; it remains the majority, with the advantages its situation implies, while at the same time demonstrating its humanity.

It goes on to say:

> This is political wisdom too. The history of countries with more than one language and culture shows how often rigid attitudes held by majorities have made common life difficult, if not impossible. The use of force, in any circumstances, results in either revolt or submission. Besides, for the majority to hold back from acts within its power or to allow events it would be able to prevent, out of respect for the minority, is not a product of weakness but a step forward in civilization.

At this time, it might be of some interest to review what is generally known as the Rand formula, a system which provides for compulsory check-off of union dues from all employees in the unit. A strike of the employees of the Ford Motor Company at Windsor, called by the UAW-CIO in September, 1945, terminated the following December when the union accepted the joint plan of settlement of the Dominion and Ontario governments. The principal provisions of the plan of settlement called for arbitration by a judge of the Supreme Court of Canada of points which could not be settled by collective bargaining negotiations.

As you recall, Mr. Justice I. C. Rand was named arbitrator and rendered his award in Ottawa on January 29, 1946. His award denied the union shop which had been asked by the union, but provided for a new form of union security—the compulsory check-off of union dues from the wages of all workers under the agreement, whether union members or not.

Now concerning the compulsory check-off, Justice Rand stated that the employees as a whole become the beneficiaries of union action. Then he went on also, and, when speaking about the terms of the award, said this:

> I should perhaps add that I do not for a moment suggest that this is a device of general applicability. Its object is primarily to enable the union to function properly. In other cases it might defeat that object by lessening the necessity for self-development. In dealing with each labour situation, we must pay regard to its special features and circumstances.

In other words, the Rand formula was designed for the particular set of circumstances surrounding the Ford case and is not necessarily applicable to all circumstances. This does not reflect the attitude of the member for Hamilton East (Mr. Gisborn).

It was enlightening for me to read a statement attributed to him in the Hamilton *Spectator* of June 7, when he was addressing the Hamilton and district labour council:

> You all know the battle we had to get union security, Mr. Gisborn said. It is the lifeblood of the union movement. If we change this, we return to the law of the jungle.

If there ever was a law of the jungle it is now.

It seems strange to me that the hon. member for Hamilton East would admit that unionism would die unless workers were compelled to join unions. Is it because the NDP would find it difficult to finance its election campaigns if it could not depend on services and moneys extracted on the compulsory check-off basis? Surely the member for Hamilton East must realize that there is a radical difference in the labour situation of today, than of 25 years ago.

Perhaps 25 or 30 years ago it was necessary to build union strength when the worker was at the mercy of some ruthless corporations. Now it appears that the worker is at the mercy of the union officials. Either the employee agrees to support the union or he loses his job.

In the same Hamilton *Spectator* of June 7, I was also amazed to read that the labour council endorsed a motion the Premier (Mr. Robarts) and Labour Minister (Mr. Bales) be asked to declare their position on Reilly's resolution and, if it is not government policy, to remove it from the official order paper.

What kind of stand is this? Is this a stand supported by the New Democrats? Would they deny a member of this Legislature the right to put a resolution on the order paper under the private members' hour? Is this the kind of freedom about which they glibly talk? If so, I would refer them to Abraham Lincoln who said: "Those who deny freedom to others, deserve it not for themselves". And to Sir Wilfrid Laurier, who said: "Freedom breeds loyalty. Coercion always was the mother of rebellion".

Another well-known public figure, Lord Soper, the eminent Methodist, when he was speaking over channel 9 TV in Toronto, said: "The worst evil in our times is the evil of force".

When Dr. Paul G. Schrotenboer, general secretary of the Reformed Ecumenical synod, was speaking to the annual meeting of the CJL foundation in Toronto, he said:

> There is freedom and justice for all in labour in principle, if not in practice, provided one has the freedom of conscience to join the union which has the exclusive bargaining rights at the shop where he works. He is not free to work there unless he joins the union and pays the union dues. He is free to join and work, or not to join and leave. But the fringe freedom he retains only underscores the injustice of the arrangement.
>
> Compulsory unionism and the compulsory deduction of union fees from the worker's wages mean an abridgment of the civil rights of those citizens who cannot with clear conscience join what is said to be a neutral, but is essentially a non-Christian union. This is a curtailment of a labourer's right to work. He is free to work if he sheds himself of his differences and dissent, but that is precisely the injustice of the arrangement for his fellow citizens who, although he is no better as a citizen, no more law-abiding, no more loyal to the country, no more industrious in work, does not have to leave his religious convictions at the door of the union shop.

In other words, he says you are free to join or not join—you are free to work or to starve. As was said by Shylock in the Merchant of Venice, "You take my house, when you do take the prop that doth sustain my house; you take my life, when you do take the means whereby I live".

In our free society, the free signifies the God-given right of every citizen freely to seek and retain the gainful employment which he desires, unfettered by the imposition of unreasonable or discriminatory conditions. Expression was given to this concept by Mr. Justice Douglas in Borsky vs. The Board of Regents, on page 472, as follows:

> The right to work I had assumed was the most precious liberty that man possesses. Man has indeed as much right to work as he has to live, to be free, to own property.
>
> The American ideal was stated by Emerson in his essay on politics, "A man has a right to be employed, to be trusted, to be loved, to be revered".
>
> It does many men little good to stay alive and free and propertied, if they cannot work. To work means to eat. It also means to live. For many it would be better to work in jail, than to sit idle on the curb.

Similarly, another American court has held that the freedom to associate of necessity means as well freedom not to associate. In the case concerning the refusal of Jehovah's Witnesses to salute the flag, it was explicitly acknowledged that freedom of speech carries with it the freedom to remain silent.

Many arguments have been put forward in favour of compulsory unionism but none has justified the serious abrogation of civil and fundamental rights which it involves. It cannot be justified as a form of taxation for the support of a properly constituted bargaining agent, because taxation is a sovereign power which may be exercised only by government, not by a political party or any other kind of private association. The right of the individual to be represented by the trade union of his choice is taken away by the majority vote of his fellow employees. Having been compelled to surrender this right, he should certainly not be compelled to surrender his other constitutional rights. The principle of a majority rule should not be used as an excuse for the denial of fundamental rights, which are inviolate.

Many trade unions support directly and indirectly the New Democratic Party which is committed to socialism. For example, the united steelworkers of America was a moving force behind the New Democratic Party and a founding-member of that party. To require an employee, whose political convictions are opposed to the New Democratic Party, to support the steelworkers, is political discrimination. There is admittedly a right of employees—

Mr. J. Renwick: On a point of order. Again I hate to interrupt the member but I know he would not want to be incorrect in what he says. There is no obligation on any member of any trade union in this country, which is affiliated with the New Democratic Party, to contribute one red cent to the New Democratic Party, should he choose not to do so.

Mr. Reilly: I realize the point of order and I realize how fallacious it is. I will prove, I think, to the hon. member for Riverdale—who has an open mind and is a very able person—that if an individual has a right to withdraw or to walk out, he does so with a lot of embarrassment and humiliation, and I will prove it to him.

Interjections by hon. members.

Mr. Reilly: I will prove it to the hon. members if they give me time.

There is admittedly a right of employees to join a trade union which subscribes to certain political principles, but there is equally a right not to join and not to so subscribe.

The recent case of the Bergsmas—the two people in Hamilton who were refused Canadian citizenship because of their avowed atheism—illustrates this point. The argument in favour of admitting them to citizenship has been that freedom of religion is part of the Canadian constitution and that this freedom includes the right to be an atheist. The argument, therefore, is that in refusing citizenship to these people, the citizenship court is practising discrimination. Surely the principle of religious and political freedom applies equally to workers who affirm, as does the bill of rights: "That the Canadian nation is founded upon principles that acknowledge the supremacy of God"; and to workers who choose not to support secular trade unions and which may subscribe to political principles inconsistent with their own. The government protection promised to the Bergsmas should surely also be extended to citizens of strong Christian conviction.

In a submission to the Royal commission inquiry into labour disputes, headed by the

hon. Ivan C. Rand, LL.D, the Christian labour association of Canada said:

> In this country we are raised from birth in the tradition that it is right and proper for people to march to the sound of different drums, compelled by the respective convictions honestly arrived at . . . The tradition is accepted in the areas of politics, church affiliation, and virtually all other areas of activity. We see no reason why the objective should be different when men and women go to work.

Further in their presentation they said:

> Our society secures to everyone the right to adhere to a religion of his choice and to hold a self-determined political creed.

It is surely for the individual to decide whether a particular matter engages his religious convictions and if in good faith, he determines that in all conscience he cannot support a particular association or contribute part of his wages to a particular political party, then one might hope the Canadian labour movement is large enough and mature enough to respect his dissent. In any event, as stated, we believe that materialism and secularism are as much a religion as Christianity and if the former can be freely practised, surely equal rights can be extended to those who wish to practise the latter.

It is surely not yet un-Canadian or undemocratic to disagree with the NDP! An employee might strongly disagree with the NDP-socialist view of the world, of man and of society. In every context other than that of the trade unions, it is possible to withhold financial support from a private organization which does not share one's conviction.

Interjections by hon. members.

Mr. Reilly: If you do not want to hold your shares of corporations you sell them. There is no compulsion for you to hold them.

Interjections by hon. members.

Mr. Speaker: Order!

Mr. Reilly: What public good is promoted by the employee being compelled through dues to the union, to contribute money towards the establishment of a social order that may be the very antithesis of what he believes in? And yet, so long as political expenditures remain part of the general disbursements of the union, and so long as the union's staff and machinery are placed at the disposal of the NDP during election campaigns, and so long as the compulsory check-off is condoned by the law of the land, this disregard of political freedom will be allowed to continue. I do not disagree with the trade union contributing money to a political party. It may have every justification for doing so, providing its own funds were voluntarily donated by persons with full knowledge of its activities.

According to the Toronto *Daily Star* of June 22, 1968, this is precisely what local 767 of the Canadian union of public employees did. Here is part of the article—

> UNIONISTS DESERT NDP TO SUPPORT TORONTO LIBERALS
>
> A Canadian union local yesterday deserted the New Democratic Party and voted to "support and directly affiliate with the Liberal Party of Canada."
>
> At a special meeting, an estimated 180 members overwhelmingly passed a resolution that the local "fully support and endorse" the Liberal Party in the federal election and that after the election the local union should "seek out ways and means to directly affiliate with the Liberal Party."
>
> The resolution specified that when affiliation occurs, a portion of union members' dues would go to the Liberal Party "only if the member so signifies, and in writing" —a formula that local president Don Roach described as "opting in, not opting out".
>
> Roach said that when other unions voted to support the New Democratic Party, any member who disagreed had to opt out— "That is, he has to single himself out and take a perhaps unpopular stand. With us, the member has to single himself out as being willing to pay," he said.

Now my good friend, the hon. member from the back row in the Hamilton area said that there are so few of them. I did not intend to read this into the records but I will just give you an idea of what happens.

This is regarding an affiliation of local 171 of the international association of machinists and aero space workers. Maybe, I should just read the summation to you. It said:

"This affiliation of lodge 171—"

Mr. E. W. Martel (Sudbury East): Read it all.

Mr. Reilly: Would the hon. member like to hear it all? If it is not too warm for hon. members, with the permission of the House, with complete concurrence, I will read it all:

Local 171, international association of machinists and aero space workers, represents almost 600 hourly-paid workers at Fleet Manufacturing Limited in Fort Erie.

In 1967, local 171 defeated a motion to affiliate with the New Democratic Party. At the general meeting of local 171 in March, 1968, a similar motion was passed.

The special representative of grand lodge IMAW, privately called two special meetings of the executive committee and shop stewards of local 171. To the first of these meetings, known opponents of the NDP were not invited. At the second special meeting, all officers, committee men and stewards were ordered by the special representatives to solicit and bring to the general meeting at least 10 members who were sure to vote in favour of the NDP affiliation. Several shop stewards, committee men, and even the president of local 171 subsequently resigned.

At the March general meeting, although not previously posted or announced except at the private special meetings of officers, a guest speaker from the Ontario federation of labour was introduced. The executive officers, and the special representatives spoke in support of the NDP affiliation, well in excess of the 20 minute limit imposed by article E, section 3, of the union constitution, for subjects on political economy.

After two or three members spoke from the floor in opposition to the motion, the chair ruled other members out of order when they attempted to speak on the motion.

When a committeeman called for the "division of the House", the chair ordered immediate cessation of debate and called for a standing vote.

The recording secretary audibly counted the affirmative votes, concluding "59, 60, 61, 70". When challenged from the floor, the recording secretary with unauthorized assistance declared 61 votes in favour. The recording secretary then silently counted the negative votes, and adjourned the meeting. Their chair immediately declared the motion carried—

Mr. H. Peacock (Windsor West): How did the secretary adjourn the meeting?

Mr. Reilly: The report goes on:

The chair immediately declared the motion carried and adjourned the meeting, in spite of loud protests that the negative votes should be recounted. No opportunity was given for further discussion, motions of appeal or further voting.

Directly after the March general meeting, a petition was signed by more than 25 per cent of the members, calling for a special meeting of lodge 171, for the purpose of rescinding the affiliation with the NDP. After several days delay, during which the financial secretary did not provide the proper forms for members wishing to "opt out" of contributing part of their union dues to the NDP, and refused to accept those personally committed and those that were personally submitted, the executive called a special meeting, but did not post the purpose of it.

At the special meeting, the motion to rescind lodge 171 affiliation with the NDP was ruled out of order even before it was seconded. During prolonged debate repeated attempts to make the motion were all ruled out of order and as were many speakers in its favour, usually by the special representative who often pre-empted the authority of the chair. The special meeting was adjourned with nothing accomplished.

Before the April general meeting the president of lodge 171 resigned. At the April general meeting, with the vice-president in the chair, the financial secretary's report included mention of a cheque in the amount of $25 to the NDP. On the grounds that all cheques of $25 or over must be approved by a vote of a membership, the members voted against approval of the financial secretary's report. During the debate the financial secretary said he had based the amount of the contribution on a probable 500 members, of a total membership of less than 600. The special representative supported him saying that "only a lousy minority" was causing all the trouble.

At the April general meeting a notice of motion was made and seconded that lodge 171 should disaffiliate with the NDP. The chair ruled the motion out of order. The mover challenged the chair. The acting president vacated the chair for purpose of debate naming as vice-chairman, a committee man who was not in order of succession for the post. He in turn, ruled the motion out of order and was himself ruled out of order from the floor. After debates between the chairman and the mover, the members voted against the decision of the chair and in favour of the notice of the

motion. The special representative immediately adjourned the meeting on the grounds of violation of the constitution.

When the financial secretary continued to refuse applications to "opt out" of supporting the NDP, a properly worded petition was circulated, and was signed by 328 members, of a membership now well under 600. The financial secretary refused to accept it, declaring it illegal, and said the proper forms were now available and could be signed at the union office on company property during lunch breaks. More than 400 members—rumoured almost 500—walked to the union office to "opt out" before the executive obtained a letter from the company requesting discontinuance of this procedure.

Now at the May general meeting, after the minutes of the April meeting were adopted with some revisions, the mover of a notice of motion to disaffiliate with the NDP at the April meeting, made the motion and was seconded. The chair ruled it out of order. During brief debate in which it was ordered—it was pointed out that the chair had been overruled on this ruling, the mover was ordered to sit down, and finally ordered from the meeting.

When he moved adjournment of the meeting, it was seconded, and the chair repeatedly refused to entertain the motion to adjourn, more than half the members present walked out of the meeting. The remainder proceeded to nominate a new vice-president and elected delegates to the grand lodge convention and the basic school.

So you see, Mr. Speaker, when the hon. members for the New Democratic Party talk about the option of opting in or opting out, it is quite obvious the things that happen in union activity which they themselves would not dare condone. I am quite sure—

Mr. C. G. Pilkey (Oshawa): Where is this document?

Mr. Reilly: I am quite sure that the members in the NDP would not condone action such as I have reported here.

Mr. Pilkey: Where is that document?

Mr. Reilly: This was sent to a member of the Ontario legislative assembly here in Queen's Park and dated here as of May 18, 1968. I have it here if any of the members want to see me personally, regarding it.

Interjection by an hon. member.

Mr. Reilly: I had started to say that when local 767 decided to affiliate with the Liberal Party, it afforded the worker an opportunity to "opt in" and did not require him to "opt out", creating personal embarrassment and humiliation.

In any event, surely the moral duty to pay union dues must be coupled with the right to pay such dues to the union of his own choosing. The employee, in recognition of his good faith and of the fact that his dissent is based on principle rather than financial profit, should at least be allowed to pay an amount equivalent to union dues to charity. It is somewhat surprising that the unions which rely on compulsion in order to gain members strongly resent compulsory arbitration by government even when such intervention is necessary to safeguard the health and welfare of the population.

This was demonstrated in British Columbia during discussion of Bill 33. The hon. L. R. Peterson, the Minister of Labour for British Columbia, when speaking on Bill 33—a new Act providing for a form of compulsory arbitration in labour disputes detrimental to the public interest and welfare—said:

> When a majority of employees, in a unit appropriate for collective bargaining, belong to a union, we compel the remaining employees to submit to the provisions of the collective agreement signed on their behalf by the union. Section 8 of the present Labour Relations Act states that nothing in the Act shall be construed to preclude the parties to a collective agreement from inserting into the collective agreement a provision requiring, as a condition of employment, membership of a specific trade union.
>
> This restriction, fought for by labour leaders for many years, empowers labour and management to deprive a man of the right to work. How can this type of compulsion be a desirable, indeed a fundamental, part of labour's policy when the kind of compulsion I recommend, applied after the full course of collective bargaining has been run, be so hateful?

This is what Peterson asks, how can this be so hateful?

> Where is the consistency? How can compulsion be all right when labour wants, it and all wrong when the people as a whole want it?

Just as soon as government attempts to introduce compulsory arbitration legislation—even during important disputes where national

interests are at stake—the union bosses cry "foul", stating that government intervention is restriction of freedom and interference with the collective bargaining process.

Union officials do not seem to understand that government has a specific duty to make sure that various groups in society, including unions, do not infringe upon the welfare, safety, health, and economic stability of individuals and the nation.

Stoppage of garbage collection in the city of Toronto during hot summer months is an example. The lack of this essential service could rapidly become a health hazard in a large city. The government has a duty to step in to make sure that these services continue uninterrupted in order to protect the citizens.

Mr. Pilkey: We have a duty to make sure they get a decent economic standard of living too.

Mr. Reilly: In my opinion the same is true when strikes threaten to cripple our nation's economy. Government intervention may have been warranted in the recent seaway strike to make sure that another precedent was not set for unwarranted, nationwide wage demands, which could have resulted in further inflation.

Under the Pearson formula of two or three years ago, wages went sky-high after the settlement with the seaway workers. At that time, I warned this Legislature that excessive increases amounting to 30 per cent become a challenge to every union leader in this country to match. It should be realized by all that excessive increases have a detrimental effect upon the economy of this nation as a whole.

A column in the *Financial Times of Canada*, dated June 24, 1968, states:

> Nothing is more essential to Canada's prosperity than exports; nothing so damages our export trade as the constant disruption of shipping.
>
> In the past few years, this nation has seen more strikes of dockworkers, ship pilots, railway workers, seamen and seaway workers than any other country in the world.

Mr. Pilkey: What has the hon. member got against workers?

Mr. Reilly: It goes on:

> For Canada, a country built on transportation, and for Canadian exports, which live by transportation, this is close to tragic.

The hon. member for Oshawa said: "What have I against workers?"

Mr. Pilkey: Yes, what has the hon. member got against workers?

Mr. Reilly: The truth of the matter is no one in this House is more pro-labour than I am. I am against ruthless actions of union bosses. The *Financial Times* concluded:

> Some better way must be found to cope with labour problems in such an essential service. The American seaway workers have their wages and benefits set by a formula tied to the average United States wage scale. There may be the seeds of a plan for Canada in this approach.

At this point, I also wish to make a comment or two in connection with collective bargaining in general. Bargaining is really a detestable word. It is like dealing on the marketplace, whereas it should be: joint consultation. Often the collective relation is still based on bluff, threat, deceit and aggressiveness, the spirit of ruthless power, instead of a sense of responsibility and of having a common calling. Our efforts must be directed towards replacing the practice of might with a system of right.

In my opinion, the decision by an independent arbitrator is always preferable to the dictated ruling of the strongest. I believe that it would be advisable to have the dispute between the federal government and the postal employees' unions resolved by a highly competent, thoroughly impartial arbitrator. Such a peaceful and fair method would not only benefit the parties directly concerned but also the public at large and the national welfare as well.

Most of you, I guess, saw the article in the *Globe and Mail* earlier this week—on Tuesday, July 16:

> THE HOSTAGES ARE ANGRY
>
> So long as Canadians increase their wages more rapidly than they increase their productivity, they will suffer from inflation. This has been the burden of many messages from such authorities as the economic council of Canada and Louis Rasminsky, governor of the Bank of Canada.

The article goes on to say:

> In the first place, moderate as the settlement may seem in comparison with the

last seaway settlement or the recent wave of settlements, it is still inflationary.

In the second place, the loss to the public was very much larger than any possible gains for the 1,200 workers involved. One Ottawa source guessed the Canadian loss at $20 million. For some small businesses it could mean bankruptcy; for hundreds of thousands of others varying degrees of loss. It put into question the seaway itself. Shipowners distrust a seaway in which their ships may be trapped by a strike.

What we had was a 23-day strike which gained the strikers very little and cost the Canadian people a lot. Twelve hundred seaway workers used 20 million Canadians as a lever. Later this week—

And he is referring to today.

—it seems probable that 24,000 postal workers will do the same. Every time a national public service goes on strike, a comparative handful of workers holds as hostages the 20 million and the 20 million people in Canada are sick of it.

The present labour legislation grants almost unlimited power to union leaders over thousands of Canadian workers who have little or no freedom to dissent. The only choice for them is "join or starve".

Robert N. Thompson, MP, in a recent article in *The Guide,* the official publication of CLAC, said:

Certainly when a person's God-given right to work and when the freedoms of religion and of association are at issue, no Canadian should be denied the right to a hearing and to representation. The essence of democracy is that all men have equality of opportunity also before the bar of justice.

The steelworkers' fanatic view that all workers either support as a condition of their employment or lose their jobs, is an obvious violation of the Christian principles upon which Canada is founded. Compulsory union support is a terrible form of discrimination that should never be condoned in a nation whose sons have so often and so valiantly fought for freedom throughout the world.

Compulsory unionism violates the Canadian bill of rights and anti-discrimination laws, as well as the United Nations' universal declaration of human rights, which specifically states that "No one may be compelled to belong to an association"—article 20, subsection 2—and that "Everyone has the right to work, to free choice of employment, to just and favourable conditions and to protection against unemployment"—article 23, subsection 1.

Bob Thompson concludes his article in *The Guide* by saying:

If the freedoms of association and religion mean anything at all in our land, they should at least include the freedom to support the organization of one's free choice. The federal and provincial governments should, once and for all, abolish every form of compulsory unionism, for it is nothing more than a modern form of slavery.

Now, my good friend said something about the CSAO, what is compulsory about the CSAO? Some 65 per cent of the employees belong to the CSAO voluntarily and others do not have to contribute, there is no force whatsoever with the civil service workers. Let me me tell you something about Donald R. Richberg. Who is he? I thought you would ask me. He is a lifetime fighter for the legitimate rights of labour. In his book entitled "Labour Union Monopoly" he has a section called "Compulsory unionism: the new slavery." Have the workers changed? I will read the hon. members some of his excerpts, and if they like I will send over the copy, with my compliments. Here are some excerpts from it: On pages 114 and 115, here is what Donald R. Richberg says:

But today, union labour leaders are demanding that a new variety of "yellow dog contract" be legalized. This is called a union shop agreement. Under such an agreement the employer forces every old and new employee to be a member, pay dues, and submit to the discipline of one particular union, or else lose his job. The union may be a good or bad union. It may be loyal to the workers and to the government; or it may be a communist-controlled union, disloyal to both.

On pages 115 and 116, he says:

It is hard to understand how labour unions, which have developed, as voluntary organizations of self-help, to free labour from any oppressions of employer power, can justify their present programme of using the employer's control of jobs to force men into unions to which they do not wish to belong.

This is what Richberg says. On page 117, he says:

Many of the strongest friends of organized labour have pointed out on

many occasions that the strength of unionism in voluntary organizations would be greatly weakened by converting them into compulsory, monopolistic organizations which, if legally permitted, will inevitably require detailed regulation by government which would otherwise be unnecessary.

And, Mr. Speaker, I know that my good friend, the hon. member for Peterborough (Mr. Pitman) does not share the viewpoints of all the members for the group. Certainly he would not deny people the right to work.

To continue the quotation on pages 118 and 119:

Those who espouse compulsory unionism are essentially adopting the communist theory that there should be only one party to which everyone should give allegiance and support. Inside the party there may be disagreements, but no one is permitted to go outside and support an opposition movement.

The claim of democratic majority rule by compulsory unionism is a pure fraud. Our democratic theory of majority rule is based on the preservation of minority rights and minority opposition and the possibility of shifting the majority power. But when the workers are required to join and support a union regardless of their desire to oppose it, the whole democratic basis of majority rule disappears.

Of course, Mr. Speaker, I sat and listened to the hon. member for Peterborough without interjections. Even though I disagreed with him I thought in fairness I should listen to him, and if he disagrees with Donald Richberg it is his right to do so, but I am saying once again that Donald Richberg on pages 121-122 said:

What the unions really mean is that they want the power of discipline over all employees, particularly so that they will all strike, or otherwise support the union officials in whatever position they may take, which is antagonistic to management. The fact is that the increased power of discipline given to union officials by compulsory unionism is all contrary to the interest of both the employer and the free worker.

On pages 123-124, he says:

The agreement for a union closed shop is now called a "union security" agreement. This very designation is a confession that it is not the worker who is made more secure by union closed-shop agreements. In fact, he is made utterly dependent upon a tyrannical control of his livelihood, exercised jointly by the employer and the union. Only the union itself—that is, the union officialdom—is made more "secure" by such agreements. These closed-shop contracts, these "one-party" monopolies, make it practically impossible for dissenters, even for a substantial majority in the union, successfully to oppose the dictatorial control of a well-entrenched machine of labour bosses.

Mr. J. E. Stokes (Thunder Bay): When is the hon. member having his next breakfast meeting? I would like to attend.

Mr. Reilly: Well, the member is most welcome, and we would be delighted to have him. I will meet for breakfast at any time with my good friend.

Mr. Stokes: Will I be permitted to speak?

Mr. Reilly: I am always looking for converts and I welcome the hon. member. To continue quoting Mr. Richberg:

In practical result, the union closed-shop agreement destroys the fundamental principle of self-organization and collective bargaining which, during the twentieth century, friends and organizers of free labour have been establishing firmly in public opinion, public policy, and public law.

The last paragraph from Donald R. Richberg's book sums it up this way, on page 126:

The outstanding labour unions of the United States are making a mockery out of collective bargaining and destroying the essential freedom of labour by their campaign to establish compulsory unionism which should not be lawful under a free government or tolerated by a free people.

Yesterday in this House, the hon. member for Grey-Bruce (Mr. Sargent), stood up and asked a question of the Prime Minister: Would the Premier indicate if he is aware that a large majority of union members are afraid of bodily injury or even their lives, if they complain or object to union policy? The members will remember it.

Mr. Pitman: I remember also the Premier's answer.

Mr. Reilly: And would the Premier advise if he is aware of many of these unions being controlled by United States union officials so that the rank-and-file union members in Ontario have little or no control?

Mr. P. D. Lawlor (Lakeshore): Does the hon. member stand at the factory gates up in Eglinton?

Mr. Reilly: Is any member of the New Democratic Party familiar with this article that appeared in a Washington paper, by the associated press, dated June 25, 1968. It said—and it answers the question that the hon. member for Grey-Bruce asked in this House yesterday:

> UNITED STATES ESTABLISHES LABOUR-RACKETS UNIT
>
> The justice department has formed a new unit to investigate all organized crime and racketeering involvement in the nation's labour unions.

Mr. J. Renwick: Is the hon. member charging this about Canadian unions?

Mr. Reilly: I would answer the hon. member, from the New Democratic Party, for Riverdale, who is asking me what date this is: It is June 26, 1968. I am answering him right now—"United States Establishes Labour Rackets Unit."

Mr. J. Renwick: I was asking about the book, the date of the book.

Mr. Peacock: Why does the hon. member not tell us the date of the book?

Mr. Reilly: The book is here, and I will be glad to answer the question for the members and give them all particulars on it. But do not get away from the important point that is before us right now. To continue quoting the article:

> Although the unit was formed several months ago, its existence was kept quiet until Fred M. Vinson, assistant Attorney General in charge of the department's criminal division, discussed it in Congressional testimony.
>
> Mr. Vinson said that the impetus to start the new unit was given in a report last year by the President's commission on law enforcement and administration of justice, which warned of organized crime involvement in labour unions.
>
> The commission reported: "Control of labour supply and infiltration of labour unions by organized crime prevent unionization of some industries, provide opportunities for stealing from union funds and extorting money by threats of possible labour strife, and provide funds from the enormous union pension and welfare systems for business ventures controlled by organized criminals."

In answer to the question put before us yesterday, it shows what has been necessary to it as a guide—

Mr. Pilkey: Mr. Speaker, a point of order, please. I wonder if the member is implying —could I ask through you—

Mr. Sopha: That is not a point of order.

Mr. Pilkey: All right. I want to ask a question on a point of order, and if the member does not want to answer it he does not have to. I am just asking the member, is he relating this rackets committee to the Canadian trade unions? That is all I am asking.

Mr. Speaker: Order, please. You are asking the member a question. If he wants to reply he can do so.

Mr. Reilly: Mr. Speaker, he knows as a union representative, that a point of order is not asking a question of a member. This is no point of order. Well, if he does not know he should know. However, I have no objection to the question. I would be glad to answer his question.

Mr. Pilkey: The question is: Is the member implying that this government ought to set up a rackets committee in this Legislature to investigate wrongdoings in the trade union movement here in the province of Ontario? That is my question, because there is implication on the—

Mr. Speaker: You have asked your question, let him make an answer.

Mr. Reilly: I welcome his question, Mr. Speaker. The hon. member for Grey-Bruce asked of the Premier of Ontario:

> Would the Premier indicate if he is aware that a large majority of union members are afraid of bodily injury or even their lives if they complain or object to union policy?

In answer to that I bring to the attention of this House, Mr. Speaker, that an article by the associated press in Washington says that the United States had established a labour rackets unit. That is what I brought to the attention of the members of this House.

Now, what I have been pointing out, Mr. Speaker, is that not only is it often mandatory for Canadian workers to belong to an NDP-supporting union, but it is also difficult and embarrassing for them not to pay contributions to the New Democratic Party.

Mr. Pilkey: The member has still not answered my question.

Mr. Reilly: It would be interesting—

Interjections by hon. members.

Mr. Speaker: Order, order.

Mr. Reilly: Apparently the members themselves are not familiar with the rules, and if it is necessary—

Interjections by hon. members.

Mr. Speaker: Order, please!

Mr. Reilly: I will put it in sequence and answer his question for him. Of course, Mr. Speaker, he may not have liked the way I have answered the question for him—

Mr. Speaker: The member has answered it the way he wanted to answer it.

Mr. J. Renwick: We would still like an answer.

Mr. Reilly: It would be interesting to know how much money and manpower the NDP received during 1967 and 1968, two of our busier election years. Newspapers report that unions are pouring more money and manpower than ever before into the NDP's election campaign. According to party officials about 40 per cent of NDP financial support comes from unions. In view of the secular unions' widespread practice of forcing workers to pay union dues as a condition of their employment, it is not irrelevant to ask whether Canadian workers still enjoy political freedom.

Mr. Peacock: On a point of order, Mr. Speaker.

Mr. Speaker: I do not think there is a point of order when a member is making a speech. You can ask a question if you want to ask a question.

Mr. Peacock: No, I am making a point of order, Mr. Chairman, and it is this: that although I was listening carefully I did not hear the hon. member end the quotation from the newspaper. He continued reading into his own text, remarks which I am sure he did not find in a newspaper report about the extent of financing for the New Democratic Party.

Mr. Reilly: I am delighted with the interest and concern that is shown by so many members of the New Democratic Party. It is very encouraging to have a good audience when a person is speaking on a subject in which so many people are interested. Everything I have said here I have documented and I will be glad to give hon. members all reports in connection with it.

Since large sums of money are spent in support of the NDP—dollars extracted from workers by means of coercion and intimidation—freedom of political expression has really become a farce. All benefit, therefore, all should join. This reason is a popular one in the arsenals of the proponents of the union shop, Mr. Speaker. And they argue that the union performs many services for all the employees in the bargaining unit and that it is therefore simply a matter of fair play that everyone carry his share of the burden. Those who refuse to do their share are considered to be ungrateful and irresponsible and denounced as free-loaders.

Looked at superficially, this argument seems to be reasonable enough, but a closer look will show it to be failing at a number of crucial points. The unions demanded the right to represent all employees in the bargaining unit, giving them added power and influence, but depriving non-members of their right to represent themselves. This does not necessarily give the unions the further right also to deprive these workers of their freedom to belong or not to belong to the union. The assumption that unions always benefit the workers is decidedly not true. It is not even true that the only yardstick applied is the one of material advantage, for some unions have been known to conclude contracts victimizing the workers. However, it is probably safe to assume that such unions form the exception. Nevertheless, their existence disproves the assumption that unions always benefit the workers even if the only criterion used is a materialistic one.

But, even when considering that the vast majority of unions have contributed to the improvement of wages and working conditions, the question must be asked whether this performance may become the sole criterion for joining unions. May of those who refuse to join the secular unions are not free-riders. They are forced-riders, forced to be represented by a union that they cannot endorse. Such persons are not irresponsible. Many of them have suffered much including the loss of their jobs for their convictions. It is ridiculous to call them ungrateful, it is not their fault that they cannot endorse a certain union. Nor is it their fault that they cannot be represented by the union of their choice.

Jesuit Father Pridgeon, principal of the Catholic workers college of Oxford University, said:

> Let the unions remember that the right to work comes from God, not from them. Man is born to work and he has an inviolable fundamental right to work, and to the means to work. The right was not created by trade unions.

And along the same vein, John F. Kennedy, the former President of the United States said:

> The rights of man come not from the generosity of the state, but from the hand of God.

An hon. member: He has one of the biggest supporters of trade unions in the United States!

Mr. Reilly: Some labour leaders who piously claim to have the workers' interest at heart, make it tough for him to survive as a free Canadian.

Well, I would hope that God is on the side of all of us and every member in this House.

Despite public announcements that they are dedicated to the cause of freedom of association, labour officials often trample freedom under foot, their blows against liberty are even organized under the banner of liberty. They abuse their freedom of association by denying that same freedom to others. It is no secret that scores of Christian workers have dearly suffered at the hands of a ruthless elite of that modern machine called organized labour. These Canadian women and men stood up for what they believe to be right. They refused to buckle under, to submit to the iron yoke of secularism and materialism. They were callously pushed out of their jobs for exercising their freedom of religion in adopting the Christian way.

Mr. Pilkey: The good Lord drove the money lenders out of the temple, remember?

Mr. Speaker: Order, please.

Mr. Reilly: More than a year ago—let me remind the hon. member for Oshawa—Michael Scanlon, William McPhee, William Thomas and Leslie Robinson, led a breakaway from the united brotherhood of carpenters and joiners of America. They failed, but the price of failure is high. The four Toronto men were found guilty and in typical "brotherhood" fashion, the carpenters sentenced these men to banishment from union office for life, fined them $1,500 each, and banned them from attending union meetings for ten years. And of what were these men guilty? Oh yes, they were guilty of exercising their legal right of freedom of association. Employment for them becomes very insecure.

This scandalous conduct is by no means something that happened in a former age. It is happening today at a time when we are supposed to be mature and when we are supposed to be coming of age. Worse yet, this persecution takes place right under the eyes of government officials who are called to administer justice and who are obliged to protect every citizen, and who shout from the roof tops about the equality of opportunity. It must be very obvious to government and to society that there is a radical difference in the labour situation today. Many changes have taken place over the past 25 years. The worker is now at the mercy of the union officials.

A section of the human rights code reads that,

> No trade union shall exclude from membership or expel or suspend any person or member, or discriminate against any person or member, because of race, creed, colour, nationality, ancestry or place of origin.

This should be amended to include that no trade union shall exclude from membership, or expel or suspend because of support or non-support of any trade union. Foster M. Russell, publisher of the Cobourg *Sentinel Star*, writes that:

> The human rights code is an admirable and commendable code. But it is not true that every person is free, and equal in dignity and rights in the province of Ontario. There are glaring transgressions in at least two instances where human dignity is involved: This is the right to work, and the right to work for the union of one's choice.

Mr. Foster Russell has written to the director of the Ontario human rights commission on this subject, stating,

> We are troubled because the OHRC has not provided a directive in the code as to the right to work. There are Canadian citizens who suffer the indignities of the closed shop.
>
> You, Mr. Hill, and your commission, should add a chapter to your code which will uphold the right to work. We hope that you will see fit to declare that any citizen of any colour, any creed, any nationality or origin will have the right to

work, if he be qualified for the job opportunity, and that he will not have to join a union or pay union dues in order to secure employment.

Harold Greer, in a feature article which appeared on May 2, 1968, in the Brantford *Expositor*, said:

> The conditions of 1948 have long disappeared; today, in unionized employment, the closed union shop is the rule and the Rand formula is the exception. Many unions have also intensified their political activity since the formation of the New Democratic Party, and support the NDP both through monthly five-cent deductions from members' dues and, more significantly, through large donations at election time.
>
> There can be little doubt today that the employee who is opposed to trade unionism, or who does not support the NDP, can be placed in an invidious position—so much so that if a bill of rights is written into the constitution, The Ontario Labour Relations Act would probably be found to be unconstitutional.

Did you see the headline in the *Globe and Mail* last month, on Wednesday, June 5? It is almost—to use a word of the member for Peterborough—incredible that this would happen in the year 1968. It reads:

> WORKER LOSES JOB AFTER REFUSING TO JOIN UNION
>
> *Etobicoke:* John Spekkers, 42, was fired by the Wheatley Manufacturing Company Limited yesterday because he refused to join the united auto workers union. The company's manager, Mr. Rigo said, "I'm sorry John, there is nothing that I can do."
>
> Mr. Rigo said later that the union insisted on every employee being a member and signing a pledge card requiring to pledge absolute loyalty and allegiance to the UAW.

Where was the hon. member for Scarborough Centre (Mrs. M. Renwick) when this article appeared in the press? She seemed to be so concerned about the rights of people to find housing accommodation.

Members of this House will recall that the hon. member for Scarborough Centre spoke in this House during the estimates of The Department of Trade and Development on behalf of some constituents whose leases were not being renewed. "Where do they turn to?" she rhetorically enquired. Is she equally concerned about a man whose job is taken away from him? Where is her sympathy for the person who is thrown out of a job and denied the right to work? Is she now looking for employment for him? Does she believe in this type of dismissal? I am sure that she does not. She seems to be a kind and understanding sort of person. I am sure that she does not believe that Canadian men and women should be denied the right of employment.

Today, when we are living in a society where men do not see eye to eye in regard to social and political problems, should we not provide freedom of expression? How much longer are we as a government going to deny the people the freedom to work? Are we going to deprive the worker of his inalienable right, his God-given right of employment?

Dismissal of employees is not the wish of the union worker, nor is it the wish of the non-union worker. Dismissal of employees is the ruthless action of the union bosses who cruelly dictate terms to employees. Get in line, or get out!—that is their line. And what does the New Democratic Party member for Oshawa think of this action? Does he enjoy Canadian men and women being deprived of the right to work? He was complaining in this House about the loss of Canadian control in business, and American domination. Believe me, if there is anything under foreign control, it is the Canadian unions that are dominated by the internationals with their head offices in the United States. Is the hon. member for Oshawa prepared to tell his UAW local to quit taking instructions and directions from United States UAW's? I doubt that the hon. member would be willing to quit taking directives from the United States, because between 1961 and 1966 the UAW international treasurer, without consulting the Canadian membership, sent cheques totalling more than $120,000 to the New Democratic Party, and I have the evidence here to prove it. I said that between 1961 and 1966 the UAW's international treasurer, without consulting the Canadian membership, sent cheques totalling more than $120,000 and to be exact, $120,400.

Interjections by hon. members.

Mr. Reilly: Hon. members are interested in John Crispo, I think, over there? As John Crispo, author of "International Unionism," stated in chapter 6, page 225:

> Of the 70 international unions listed . . . 58 give the international union final power to approve locally authorized strikes. The main exception to this general requirement is provided by those constitutions which

> permit local unions to engage in strike action on their own final authority but stipulate that in such cases no financial support will be forthcoming from international headquarters.

Now do hon. members doubt John Crispo? Perhaps the hon. member for Oshawa will tell us why Canadian worker John Spekkers, who for Christian reasons refused to join the UAW should be fired?

I thought I should make the hon. member for Oshawa aware—because I know he is interested in accuracy—of an interesting poll released by the Canadian institute of public opinion on July, 1967. This poll reveals that a large majority of Canadians do not approve of compulsory membership in unions—and this includes union members. I want to make that very clear, because last time the leader of the NDP questioned its validity with respect to union memberships. It is undeniable, this includes the union members.

A solid majority of Canadians still believe in the open shop. Seven in ten citizens think a trained worker, whether or not he is a union member, should be able to work for anyone willing to hire him. In fact, 67 per cent of union members voted against compulsory membership; not just citizens, but 67 per cent of union members! In answer to the question, "Do you believe that you, as a trained worker, should be able to work for anyone willing to hire you, whether or not you belong to a union?" A total of 71 per cent of the people said, "yes."

This confirms the attitude of hundreds of people throughout Ontario who have written to me from dozens of municipalities. I have received several letters from Barrie, Beamsville, Bowmanville, Brantford, Chatham, London, Oshawa, St. Catharines, Toronto and so on. A man in Orillia wrote to me saying:

> This is a great country and a great province, and I sincerely trust that legislative action will stop this ugly prejudice and discrimination before it has a chance to decay the very foundations of our greatness.

He was writing in support of my resolution that is on the order paper. I received a letter from a student who asked me if actions which bar the right to work are democratic. And he goes on to say that in this country we have the freedom of religion, of speech, as well as freedom of association. Another letter—from a small town northwest of Toronto —said:

> I do strongly object, however, to the fact that people who conscientiously object to membership in certain unions . . . are forced at present to either deny their conscience or be deprived of their work and livelihood. This is an essential conflict with the Canadian bill of rights and with Christian concept of justice as well as with the democratic principle of respect for the individual's freedom of association and for the convictions of the minority.

A minister of the gospel from Grimsby, Ontario, writes to me saying:

> No one should be forced to join a particular union as a condition of employment. Some of the ideologies, methods, principles and practices of certain unions might conflict with one's conception of the Biblical view of work or labour. Surely in our free and democratic society we do not want to force people to support ideas and movements with which on principle they cannot agree.

Members of the men's club of a church in St. Thomas write saying that they fully endorse my resolution and it is their firm belief that no Canadian should be compelled to belong or contribute to an association. At their meetings they have discussed this motion at length and believe that in order to protect the individual's basic rights, legislation must be enacted to safeguard it.

Here is another petition signed by over 50 people in opposition to the closed shop: "Indeed, unions should not coerce or use compulsion on members—it should be voluntary", reads part of their statement.

A note received from Barrie, Ontario, states:

> At the present time we are unemployed because we objected to joining a secular union, not because we begrudge the financial contributions, as we have willingly given an amount equivalent to union dues, to charity all the time the union has been certified for this company. We mention this since some would quickly like to close the issue and suggest that our major objection is the financial contribution to the union.

It goes on to say:

> Why must we be enslaved, why is the personal responsibility to be true to our convictions taken away from us? Firstly without having been given the privilege of reading the constitution of this union, we were expected to sign a contract as a condition for employment. Secondly, through

this union we are compelled to support a political party for whose members we do not cast our votes during a federal or provincial election.

Why do the socialist labour movements and the members of its pet political party become so intensely hostile and intolerant when certain of their questionable procedures and their claim upon absolute authority over Canada's labour force is being investigated? Why are they so anxious to obtain conformity? Why must we all be reduced to robots by all-powerful organizations which are associated with a political party whose supposed aim it is, to defend the rights of the individual. And here I have an article from the Cobourg *Sentinel Star*, entitled,

IT TOOK TWO YEARS FOR THE PRESBYTERIAN CHURCH IN CANADA TO REVERSE ITS STAND IN THE RIGHT TO WORK ISSUE

At the 94th general assembly in Knox College, Toronto, June 12, 1968, the commissioners of the church unanimously voted that in this year, designated human rights year by the United Nations, we affirm the right of all Canadian citizens to work without coercion from any quarters.

The motion was moved by Dr. William Fitch, minister of Toronto's influential Knox Presbyterian church and seconded by Mr. Norman L. Mathews, QC, a prominent Toronto lawyer. The Presbyterian church's unequivocal stand is a confirmation and an enthusiastic endorsement of the position propounded by the United Nations in its universal declaration of human rights which states:

No one may be compelled to belong to an association and everyone has the right to work, to free choice of employment, to just and favourable conditions of work, and to protection against unemployment.

The 94th general assembly clearly rejected the secular union's widespread practice of forcing workers to support them as a condition of employment. Now is the time for other leading religious bodies to uphold man's right to work—one of the greatest rights known to man.

It is too bad the hon. member for Oshawa has to leave because I was going to tell him about what Mr. Raskin has to say, Mr. Speaker. Is he going to leave or is he just going to tune in as Speaker?

An hon. member: They are going to put him to work.

Mr. Reilly: Now as long as the hon. member for Oshawa, who is now the Speaker, does not rule me out of order, all will be well.

Interjections by hon. members.

Mr. Reilly: Mr. Speaker, I want you to listen to what Mr. Raskin has to say about labour conditions today:

Historians of American institutions may record this as a period in which the labour movement was innovating itself into the grave.

This shocking prediction comes from the persuasive pen of Mr. A. H. Raskin, who, for many years, was national labour correspondent of the influential New York *Times*. Mr. Raskin, a friend of organized labour, observed already in 1963 that:

Labour organization in its present form is being hurled inextricably into obsolescence. The process will be neither swift nor dramatic, but unless the labour movement can arrive at a drastic re-assessment of its function, it appears inevitable.

Mr. Raskin is not alone in his contention that all is not well. Allow me to quote what Mr. Fred Nicoll, the outspoken national vice-president of the Canadian brotherhood of railways, transport and general workers, recently said about the Canadian unions' predicament and challenge.

The whole area of relations between union leaders and the rank and file should be opened up for thorough debate and discussion. Membership apathy to unions and their operations has become a serious challenge to the movement. If the average member thinks of his union as merely the negotiator of annual contracts and processor of grievances, how can his interest be aroused and maintained in day-by-day activities of his local and his union? If self-interest is his only motivation, how long will he remain loyal to the union in periods of adversity?

Mr. Speaker, it is interesting to notice that a man like Samuel Gompers actually supported the principle of voluntarism. He founded the American federation of labour on the bedrock of voluntarism. He believed with his whole soul in personal freedom and democratic government and in the ultimate triumph of voluntary human co-operation over any form of compulsion of dictation. It is also interesting—and particularly interesting to the member for Riverdale, and for the member who is now sitting as our Speaker,

to hear the note from David A. Morse, director general of the international labour office. I am sure he will not disagree with him. He said at the opening conference for industrial relations in Toronto in October, 1965:

> But, the need for a new look at collective bargaining goes even further. Its adequacy as an instrument even for dealing with the issues for which it has traditionally been responsible—the fixing of wages and conditions of employment—is being called into question. This issue arises particularly in western Europe where the almost general attainment of full employment has completely changed the conditions in which collective bargaining takes place.
>
> In some countries, and in some industries, unions have acquired almost unlimited power to push up their members' incomes, and employers, whose bargaining powers have correspondingly declined, tend, in conditions of labour scarcity, to bid up wages and hoard labour in order to maintain a labour force superfluous to their present requirements. Such practices are putting a severe strain on national economies and, by creating strong inflationary pressures, seriously threaten the maintenance of normal growth rates and the social objective that economic growth seeks to achieve.

He goes on to say:

> Trade unions will, in the coming years, have to undergo a complete reappraisal of their role in society. In a sense they have become victims of their own success. There can be no doubt that if living and working conditions have improved so radically in the past few decades, if the great majority of workers today enjoy a standard of living which would have been quite inconceivable 20 or 25 years ago, this is very largely due to the energetic struggles waged by trade unions on behalf of their members.
>
> But it is precisely because they have fought so hard, and with such success, for the rights and status of the working man, that unions need to widen their functions and role in society. They have achieved a strong bargaining position and they are using it to increase the share of affluence for their members.

Do you know what David Morse says? He says:

> They are no longer defending working people from starvation. Their members are no longer the underdogs of society. The underdogs are the unemployed, the poor, the aged, the oppressed, the under-privileged, who continue to exist in our so-called affluent societies, but whose interests the trade unions in most countries today are not equipped to defend as energetically as they could or should like to, in spite of their long and honourable tradition as spokesmen for the less fortunate.

And finally, David Morse says in the conclusion of his speech:

> A consensus which actually reflects the interests and aspirations of all the forces in society is not a negation of freedom; on the contrary, it can only serve to strengthen the social and economic fabric of a free society. What we need to aim at is not a society in which limitations are placed on freedom of expression and freedom of action, but rather an educated society of responsible men and women capable of looking beyond their own immediate interests to those of the community, and, indeed, those of the world at large; leaders concerned with developing the individual personality and community as a whole. To achieve such a society will call for courage, imagination, new thinking, ability and ingenuity from the leadership of both sides of industry.

In other words, Mr. Speaker, what all these leaders of labour are saying is that the genuine strength of the union should not lie in its captive support, but in the voluntary allegiance of employees who are in agreement with its principles and aims. Man's God-given right to work should be safeguarded and not be subjected to attacks for the benefit of private organizations which spend their funds in support of social and political philosophies with which some workers totally disagree. I believe that all men should enjoy—it would appear that it is necessary to say it and to repeat it in order that some members of this House will get the message—should enjoy equality of opportunity in a democracy and that no Canadian should be discriminated against in his employment.

I believe that compulsory unionism is a form of discrimination. I believe that section 3 of The Labour Relations Act should be obeyed, namely, that every person is free to join a trade union of his own choice. Ontario has been a leader in the field of civil rights and liberties. Our government would do well to consider the provision of article 20 of

the United Nations' universal declaration of human rights which Canada has pledged to uphold, of which the Ontario human rights code is a provincial extension, and which states that "no one may be compelled to belong to an association".

Compulsory unionism in any form is entirely unacceptable to freedom-loving Canadians. And, as mentioned previously, the Canadian institute of public opinion, July 22, 1967, revealed that a solid majority of Canadians, over 70 per cent, believes in the open shop, and that 67 per cent of the union members feels the same way.

Mr. Speaker, I subscribe to the thoughts expressed by the executive secretary of the CLAC in a recent article entitled, "The Closed Shop Is Wrong", which appeared in the Kingston *Whig-Standard*.

> The closed shop is wrong because it deprives the employee of his civil rights and liberties; his freedom to support the trade union of his own choice; his God-given right to gainful employment; his right to give public expression to his basic beliefs; his right to speak freely without fear of reprisal; his right to decide how he will meet his social and political responsibility.
>
> The closed shop is wrong because it violates the Canadian bill of rights, the United Nations universal declaration of human rights which declares that no one may be compelled to belong to an association.
>
> The closed shop is wrong because it often forces the employee to promote financially and otherwise, a view and way of life and labour inconsistent with his own; to support a political party and philosophy alien to his own; to participate in activities which he cannot in good conscience endorse; to promise allegiance to principles violating his own; to make an unconditional pledge of union obedience.
>
> The closed shop is wrong because it infringes on the employee's freedom and right to follow the dictates of his heart; imposes on the employee a labour organization and programme of someone else's choosing; degrades the employee to a captive union supporter; subjects the employee to a dictatorial union rule.

Mr. Speaker, to conclude, I quote the Prime Minister of Ontario on human rights:

> Let us then re-dedicate ourselves to the task of tearing down walls of prejudice wherever they exist, and in their place build bridges of understanding and mutual respect, so that all the members of our multi-national Ontario family may, through full equality of opportunity, give of their best to the economic development, industrial expansion, social advancement and the cultural and spiritual enrichment of our great province.

Mr. D. M. Deacon (York Centre): Mr. Speaker, I use this document as a basis of my talk this afternoon and sometimes after listening to the speeches in the Budget debate I am wondering whether I, as a newcomer, was unaware of the latitude which is allowed in Budget debates. But I have often thought it is a great time in a way to be able to talk about the Budget, many months after it has been brought in. And also, at a time when we had an opportunity to see in much greater detail what the Budget estimate and Budget provisions here will mean in actual dealings and actual results with the people of this province.

The major factor of course, in the Budget estimates, is in the field of education and also in the related fields of health and social and family services and services to people that the province—and only the province—can provide and provide well.

But one of the great problems that I have seen in the estimates and in the bills and legislation that come before this House, has been the rigidity, the cog in the mass machine, that we witness in the way we are providing our people with education; providing them with the social services.

We have regulations that behind which so often we hide instead of using the tools; the resources of the province to deal with people as individuals. In the field of education, we are building tremendous institutions; institutions that are the last word in the architect's eyes, the last word in the eyes of many educators. And yet we have more and more people every day seeking out little independent schools in an old house, on top of a group of stores, where their children can get what they feel is a much better education.

Why do they consider it a better education? It is not because the facilities are better. It is because in those little schools—the Montessori, the French school, or the Thornton school—whatever school it happens to be—there is a one-to-one relationship developed. There is a relationship whereby a student no longer feels absolutely caught in a tunnel or a ditch down which he has got to flow,

or be sometimes diverted off to one vocation or another. He is dealt with in an open area with a man who is interested in awakening his interests, in sparking his desire for greater knowledge.

And I am of the opinion, after reading and studying the estimates, listening to the debates, that this province should recognize this need that people are making great sacrifices for. They are paying money they cannot well afford to send their children to these Neil McNeills and other schools, for religious, for language, for many reasons—and we must not think that only through these mass institutions where we put the child, as a cog in a machine, through a mill, we must develop other avenues of spending our education dollar.

We will find that if we study the operation of these schools in many instances their costs of operation are well below ours—per pupil cost—in the public system. And if people are desirous and prepared to spend their dollars we should recognize and give encouragement to them, and we will probably have some interesting new results, new devolpments, in educational methods if we do so. This is one of the great problems of the mass system that we feel we are forced to resort to when we have a large Department of Education with great responsibilities over-centralized. Everybody talks about the efficiency of over-centralization. We lose our efficiency if we are not getting down to the child, to the student, and awakening his interest.

An example was brought to my attention recently in Parry Sound, where I had not realized that a court case had been launched by residents of that area, people who say: "Our children are going to exactly the same school as before, the conditions are no better than they were before; all we are doing is paying twice the taxes we were before they centralized this." They do not see any increase in the personal interest given their children. All they know is that they themselves no longer have an opportunity to express their personal interest as trustees, or in some other method toward the better education of their children.

We have got to get away from the assembly-line treatment. It shows up in The Department of Social and Family Services. Recently I had an opportunity to visit the Villa hospital near Thornhill, which has many youngsters—some in their early 20s—who were in a hospital in Toronto, I think it was Bloorview hospital—but they are now in the Villa in their wheelchairs. And the one thing those youngsters want more than anything else is an opportunity to do something of service; to feel that they can contribute something in their lives, whether it be from a wheelchair or not, to this world. They do not want to be just a charge on the community.

And they put on a performance, which the Minister of Health (Mr. Dymond) witnessed one night—a performance which was a credit to any group, in their singing, in other things that they were able to do. So these youngsters can contribute. I have seen in mentally-retarded schools, creations and achievements that have come—not from the mass, beautiful educational institutions we have created but only through the interest, that one-to-one interest and dedication of teachers. And it is interesting to note that these smaller units of operation are the ones where the best people like to go. They will sacrifice their wages; they will take a lower salary, to get to a place where they can get a one-to-one relationship and see the students respond and achieve greater degrees of accomplishment than otherwise would be expected from them.

Another field of the province's responsibilities that has disturbed me greatly is that of housing. The major role in getting new housing moving is that of providing the services and getting the municipalities to agree to residential subdivisions which contain perhaps houses assessed well below their ability to carry themselves in the way of services. And recently the role of the Ontario water resources commission was brought to our attention very, very forceably. Many of the members of the House will recall 15 years ago Premier Leslie Frost introduced the Ontario water resources commission with a great fanfare. It was going to be the Ontario "Hydro" of water and sewage. It was going to be the wholesaler, the producer, of the facilities that people need in their homes in the way of water supplies and for the treatment of sewage, not only in their homes but in the industry that they worked in.

And what has happened in those 15 years? We have seen one pipeline built from Lake Huron to London. We also receive every week or two public relations bulletins from the Ontario water resources commission describing small plants or wells that have been drilled, work that has been instituted to clean up the pollution of industry here and there. These are all important in them-

selves, but none of these projects has been a major project envisioned by Premier Frost when he first introduced and brought forward the legislation for the Ontario water resources commission. These are not the Niagaras, the St. Lawrence projects; these are not the major plants that the Hydro has been producing. We should be seeing major projects of the Ontario water resources commission in this province. They have been restricted to a role of negotiating piecemeal, here and there, little agreements with municipalities.

A very, very demeaning situation occurred a couple of weeks ago, when the Minister of Energy and Resources Management (Mr. Simonett) announced the approval of a small plant south of Richmond Hill. Now to many of you that will not mean very much because he mentioned the fact that this new small plant would be serving the hospital addition that is required there and a new school. He said it would also be serving 400 acres of land south of Richmond Hill—but restricted only to the 400 acres. Now that 400 acres is owned by people who were represented before the Cabinet by Mr. Hollis Beckett.

And Mr. Beckett's clients have been able to override, in effect, the stated policy of the Ontario water resources commission over the past nine years that they will not permit any more package plants. They have been able to override this stated policy by going to the Cabinet and saying, "We need these houses that they are going to build on this 400 acres of land." No other people that own hundreds of acres of land around there are going to be privileged in this way, because for some reason or another it is felt perhaps that no one wants to build on land around, except on those 400 acres.

But that particular approval of that plant is given solely for the benefit of that developer. This is not sound policy; this is not achieving what we are wanting to do in the way of opening up new housing opportunities, places where developers can go in and build homes around this expanding part of Ontario. We are continuing to do the job piecemeal. And it is putting the role of the Ontario water resources commission in a ridiculous light when they are going to villages and towns within 50 miles of this city and saying: "No, you cannot have a package plant, it is against our policy." Yet, the Cabinet overrides the situation and says: "You can have a plant which will serve the 400 acres owned by the clients represented by Mr. Beckett."

How can we have a strong water resources commission? Where is that great Ontario Hydro, for water and sewers, going when the government takes that policy? This is the type of piecemeal, day-to-day-putting-out-the-fire approach which is wasting our taxpayers' money; because in another ten years it is almost certain that a properly integrated plant for the area will be put in, and by that time the plant that is now being considered for that area and will be constructed soon, will be removed.

Who pays for it? It is not the developer, of course; it is the householder. And he is just wasting his money because the province is failing to deal with the situation in the way that it originally said that it would, and the way that the people would approve it, by giving the OWRC a basis by which it can go forward on an overall integrated provincial plan for providing water and sewage facilities on a planned basis.

They should designate areas where the province desires to have development occur, and then have the OWRC put the plants in, financed by their own bonds guaranteed by the province. In time we will have a bond of OWRC just as acceptable in the marketplace as Ontario Hydro bonds are today, without need of guarantees. But let us get on with the job. Let us not leave it to these small deals with each municipality.

Then, perhaps we can face another problem that is causing supply and demand in housing to be so much out of balance, where demand is far greater than supply, and where each year the price of land goes up, causing people to believe that there is only one way for land value to go, and that is up. Anyone in the House who remembers the 1930's will remember that land prices can go in another direction. They will go down to reasonable levels at such time as we provide the services, atmosphere and conditions where the supply is in excess of the demand. It is not the developers and speculators holding on to land, that is driving prices up. It is because they cannot put the land into development. They are restricted both by lack of services, and the fear of municipalities regarding their own financial position if they allow low-cost residential housing.

Look at Pickering. This is an excellent example of what happens if you do the socially correct, and the right thing for the people in the province today, permitting a lot of residential development to go ahead.

Pickering is in dire financial straits and restricted by the Ontario municipal board because it has overexpanded residentially. And it is because of its tax and financial position that industry hesitates to go in there today. We can deal with that problem by recognizing the need for an adjustment period between the time that residential development goes in and industry goes in.

If we provide a ten-year subsidy to the extent required for that low-cost housing to carry itself, which would decline over a ten-year period and give the municipality time to adjust, then we will see a tremendous change in the attitude of municipal councillors toward applications for development.

Combine that with improved regulations regarding planning requirements, and the implementation of official plans as quickly as possible in the area where the demand for housing is greatest, and thereby enabling the speeding of the process of development, and we will see a big change in the cost of land in this area. By so doing we could easily effect a 33.333 per cent cut in the cost of housing today. I state this because the average cost of a serviced lot in the Toronto area at this time is $12,000. The cost of that lot rightfully should be of the order of $3,000 to $4,000.

People say: "How can you put out a $3,000 or $4,000 lot, when the services required by municipalities cost that much in themselves?" The answer is that they do not need to cost that much.

Many of the demands of municipalities are unreasonable due to the fact that they do not want the residential subdivisions to go forward; they try to hold them back. I am certain that we can bring down the cost of a 50-foot lot in this city a lot closer to $3,000 from $12,000 and thereby reduce in a major way, the cost of a home to the individual.

The role of local government is a point that I stressed in the estimates of The Department of Municipal Affairs, because I see, in local government, the best media whereby people can express their wants. Local government deals with people on a day-to-day basis. It is the reason that I personally, and probably many others in this House, entered political life. It was because you were interested in people and local government, and you found that that was where you were dealing with people every day. And probably you were so frustrated in your dealings with The Department of Municipal Affairs and the province, that you decided to go to provincial governmental levels and try to do something about it.

I think that we should be working hard to do something about it. I think that we should be working to the point where we are giving direction in broad parameters and giving basic wholesale services, and basic subsidy when it is needed, to municipalities, but leaving the decisions and the operations to them.

The other day one of the members mentioned that any municipality, to be visible, had to have a population of 150,000. There is no standard figure that makes the most efficient population size in the province. You cannot standardize these things. In an area like this it should probably be 250,000 or 300,000. But in other parts of the province, it might be 20,000. We have to look at individual situations. Let us not constantly build up and set up standards, let us look at the actual conditions on the ground and work with the people locally to see what they need, and develop what they want.

I am pleased to see in some fields that the government has shown its willingness and desire to work with private business. The Ontario housing corporation's work in its agreements and jobs that it has done with certain private developers in providing housing, and student housing, is a good example of where savings of 20 to 25 per cent have been achieved by the ingenuity of private individuals in developing good low-cost housing for our people. But the big problem with housing, I state again, is that the government of Ontario must provide the services, the financial assistance that is conducive to maximum housing production.

In the Budget debate and in consideration of our own position as Canadians, as to what we owe to this province, there has been much said about big business and how bad it is. I think it would be appropriate that in the light of these, I should read what the president of Studebaker-Worthington Corporation, a major American concern, had to say about his views on the responsibilities of big business. These are what I have found personally to be the case in the predominant number of firms today. He said:

> I am happy to say that throughout the private sector of the economy today, there is a rapidly growing realization that money spent on social improvement not only is good corporate citizenship, but also makes plain, good business sense. The original concept, probably first publicly expounded by Henry Ford, was to lower the cost of the product so that more customers could

buy. This business has accomplished, but we are also now beginning to see the wisdom of raising the income of large segments of our population so that they too can become customers.

Industry does have a social conscience, but even if that were not a consideration, we just have to act out of self-interest. Industry cannot indulge in the luxury of letting George do it. There are indeed other Georges, with forces equal to those of industry, and I refer to governments, unions, schools, churches and many others. But while their social obligations may be more obvious none is more dependent upon the socal health and stability for long-range survival, than industry under our free-enterprise system. There could not be a riot or disturbance anywhere in the continent today without disturbing the production and marketing at Ford. Is Ford going to be interested in alleviating the cause of riots? You bet it is! It follows then that the successful manager of today, and most surely for the years ahead must be well trained in the social sciences, as well as in the technical sciences, for he has a host of responsibilities beyond those of production and distribution.

He must see to it that training is provided for the so-called hard-core unemployable because his country cannot afford to waste its human resources. The free enterprise system cannot reach its full potential while there is a segment of the society that does not share its benefits, and through despair, frustration, suspicion, threatens the freedom necessary for our system to survive.

He must participate actively and vigorously in improving his community even if his actions are only from enlightened self-interest.

My point is that industry, particularly large industry, will increasingly act to fulfill social obligations because social stability and the accomplishment of the aims of our society are so closely related to the future growth and prosperity of business itself.

Now the hon. members say this is hogwash, but it is not hogwash. A lot of what we hear in this House and the views that we shout out sometimes in jest and with not too great sincerity, are attitudes and situations of 100 years ago, our attitudes towards unions and our attitudes towards big business. I have seen as much ill will on both sides and good will on both sides. It is not parties, it is people. It is not systems, it is attitudes. Freedom of choice.

One of the greatest thrills I received in the last few months, in fact in a long, long time, was a recent announcement in our local paper, the Markham *Economist and Sun*, of a group of Ontario scholars—eight of them listed there and three of them were from one family, three of them by the name of Day.

The eldest girl was with her mother and father in Trinidad when unfortunately her father was shot in a riot, or some uprising that suddenly occurred in the street when he was just an innocent bystander. Her mother brought this young daughter home, and later twin girls were born, and she bought a little home in our local village. I am sure that their income during this period has been at a rate far below what most people would consider a subsistence allowance. They lived right beside the railway tracks in a little house. But that home, with its personal interest, with the involvement of the parent who was struggling to provide, with the interest of the community—whatever was inside those girls in hereditary background—has resulted in three Ontario scholarships in one year.

Those girls are all out serving their community in one way or another. They are a tribute to our free enterprise province. We do not want to have a condition arise where we have an increasing feeling on the part of people of this province that the government of this country and of this province is a mother hen, looking after us, seeing that we do not get wet, or whatever happens to be the case.

We want to be in a position where we can be free individuals with the greatest maximum opportunity and choice for all. We want to have the satisfaction from struggling and achieving and then, only then, will the people of this province be worthy of the opportunity that they are given by living here.

Mrs. A. Pritchard (Hamilton West): Mr. Speaker, I intend to speak for a few moments on the economic progress which Ontario made in 1967; then to consider the outlook for 1968 and, finally, to mention briefly some of the most successful initiatives taken by this government to maintain and stimulate the pace of economic growth and development.

Once again last year, the growth in output here in Ontario was well in excess of the

national average. The increase was 7.8 per cent to a total provincial output of $24.9 billion, as compared with an increase at the national level of 6.8 per cent. Discounting prices increases, Ontario's real economic growth was 3.7 per cent, again a full percentage point above the national average.

Economically speaking, our province is one-third of Canada. We now account for fourth-fifths of the nation's fully manufactured export goods. Of last year's total increase in Canadian exports, Ontario accounted for some 90 per cent. A major proportion of this growth was in automotive exports to the United States, which last year exceeded $10.25 billion.

During the year 132 major new manufacturing plants opened in Ontario, representing investment in excess of $91 million. A further 262 companies expanded their facilities significantly. Mineral production soared 24.5 per cent to exceed the $1 billion figure for the first time in the province's history. The estimated gross value of farm produce rose by 8 per cent to $1.4 billion. In the total of public and private investment, Ontario out-performed the rest of Canada by 6.8 per cent as compared ot 3.6 per cent. The provincial labour force grew by a figure of 115,000, while 95,000 new jobs were created. Unfortunately unemployment rose from 2.5 per cent to 3.1 per cent, but this compares very favourably with the unemployment figure of 4.7 per cent for the rest of the country.

Throughout 1967 Ontario continued as one of the leading growth areas in Canada, contributing in very large measure to the gains enjoyed in the national economy.

Now, Mr. Speaker, I just want to turn for a few minutes to the specific topic of women as candidates in election campaigns. First of all, to give you some background in this regard, we should go back to the 1963 provincial general election. In that campaign, out of 108 seats available, the Conservatives nominated three women, Liberals three women and the NDP eight.

When the ballots were counted, I, unfortunately, was the only woman elected in the campaign and became the first woman ever to sit on the government side of the Legislature in our province's history—and, I might add, only the third woman ever to be elected to the Ontario Legislature.

In the 1967 election, Progressive Conservatives nominated three women, Liberals the same, the NDP nine and one Independent. This was out of a total of 117 seats, so you can see that while there were more seats available the percentage of women candidates overall decreased. Quite frankly, as far as federal elections are concerned, the situation is even worse and I advise the members here to read the Hon. Judy La Marsh.

I would like to say, Mr. Speaker, that I disagree with and disregard the somewhat historical fallacy that women voters will not support candidates who are female. In many ridings men candidates are in fact more afraid of a woman opponent than a male candidate simply because they believe the women will vote for a woman. Yet the myth has been created that women voters will not vote for women candidates. This is sheer nonsense.

Therefore we have a paradox—that while parties do not select very many women candidates, they rely on women workers in the constituency to get them elected on voting day. It seems to me that if women are capable enough to run a campaign it is only reasonable to expect that they would also make good candidates.

Yet our parties, and here I am referring to all political parties, show too much hesitation in nominating qualified women as candidates in an election campaign. Quite frankly, what happens all too often is that normally when women are nominated they are in ridings which the party is willing to write off as a loss—without a chance of winning.

As an example, an examination of the ridings with women candidates running in the October 17 election campaign—the not unexpected result was that of the three Progressive Conservative women who were nominated ran first, second and third in their respective ridings. All of the three Liberals placed second and the NDP with one notable exception—the hon. member for Scarborough Centre (Mrs. M. Renwick)—whom I welcomed most cordially—ran third in all of the other eight ridings women contested under their party banner.

I believe that political parties ought to nominate women candidates not only in seats where they consider they have a good chance of winning, but indeed in seats where the party is strong, both in popular terms and in organizational terms. Until parties change their attitude to women in this regard, women will suffer from a great deal of discrimination as far as the electoral processes are concerned. In my view, this is not only a loss to political parties, but in-

deed to the whole country. It is an accepted fact that women control 80 per cent of the spending power of our nation.

Since women candidates would have special opinions and concerns, particularly in those areas so vital to the well-being of her family—such as rising food costs, housing, clothing and the impact of education on the family budget—more women in politics would have a dramatic effect on government policy.

In addition to this, another complaint that women have is that so few women are appointed to important boards and advisory committees, which would give a more representative view and be in line with the percentage of the female population. It is most important, therefore, that political parties begin to separate reality from fantasy and shake off the old attitudes by increasing in very real terms, the representation of women within their ranks, not just as door-knockers, tea-servers and telephoners in election campaigns, but also in the highest ranks of the party, which, of course, are the candidates in election campaigns.

Once again, Mr. Speaker, I emphasize that fundamentally all women are interested in the home and the preservation of the race—an obvious outgrowth of this concern is the necessity for women to take an active interest in all levels of government—to study the terms and conditions under which they and their families live, and, wherever possible, to offer themselves for public office—and strongly support those who do.

Local government is closest to the people and a challenge. Also, there are no impediments in qualifications—a candidate need only to be over 21 years of age, an owner or tenant in the municipality and a British subject—with a nominator and seconder, plus an active campaign.

Mr. Speaker, while on the subject of women, I must admit I was horribly shocked to read in *Hansard* the statement made by the hon. member for Wentworth (Mr. Deans), on Thursday evening, July 11. And I quote —I believe the hon. member was referring to an ombudsman:

> I think that this shows what is really wrong—that, generally speaking, the consumer associations are just a bunch of women. And I say, "just", not to be derogatory, but they are a bunch of ordinary people who get together to discuss the problems that they have personally faced. But they have no way of making forcible, continuous representation.

Mr. Speaker, the organization of the Canadian association of consumers was set up soon after the war, in response to continued demand for the information cards then issued by the wartime prices and trade board on consumer products and prices, the federal government invited the national presidents of all the women's associations in Canada to Ottawa. To name a few—the national council of women; the imperial order daughters of the empire; the young women's Christian association; the Catholic women's league; the Jewish women's association; and the business and professional women's club. From this gathering the consumers' association of Canada was born.

Organization was set up at the municipal, provincial and federal levels. The hon. Ellen Fairclough was the first provincial treasurer and I had the privilege of being the first president of the Hamilton association and let me assure the hon. member for Wentworth that this association has a distinguished background. They had a direct line through their municipal, provincial and federal associations to Ottawa and, believe me, were listened to with great respect.

I will not take the time to enumerate all the improvements and recommendations which were adopted, but I could not permit such a derogatory remark—even if the hon. member feels it was not intended that way—to pass without enlightening the House as to the dedication and ability of one of the foremost women's associations in Canada, and to enumerate just one or two of their important contributions.

Three small items that were accomplished were the standardization of sizes of children's wear to conform to build, rather than by age—and believe me, hon. members, we had a tough time getting any changes made by the manufacturer. The removal of the red-lined cellophane wrapping on bacon—again, it might sound trival but you can now see what you are buying and this was done by the consumers' association. The addition of important vitamins to canned products; the proper and true packaging of products.

While I admit that there is still a long row to hoe, the contribution of this organization is very significant. Not the least of their accomplishments is the leaflet which is put out quarterly giving information, to the membership who subscribe to it, on all aspects of consumer purchasing and current problems which are of such consequence to the housewife of today.

Mr. Speaker, we are without doubt the most affluent of people in the world. The high standard of living which we enjoy—the educational facilities, recreational, medical, and

hospital services, all reflect an ever-increasing cost to the consumer and, inevitably, to the taxpayer.

Mr. Speaker, it is most regrettable that, due to the ever-increasing cost, the government had to increase Ontario hospital services premiums. As an example, a study of the Hamilton civic hospital costs shows very clearly the problems facing the administration. Wages and salaries comprise approximately 75 per cent of the total operating costs. I quote the actual figures for the most recent years:

1965, 75.4 per cent; 1966, 77.1 per cent; 1967, 73.6 per cent; 1968, 74.8 per cent.

From this information, it can be seen that the bulk of expenditure relates to wages and salaries—because the product is service. Another element involved in hospital cost structure is the increasing sophistication of patient care. Technical advances in the field of medical care are occurring rapidly and dramatically, resulting in an increase both in numbers of personnel to provide new services, as well as the need for more highly technical personnel. This, Mr. Speaker, is a brief résumé of a picture which is relative to all the public services.

1967 was a most memorable centennial year—with Hamilton second to none with its amazing and elegant project—Dundurn Castle. Another great event worthy of record was the miles for millions in Africa march, which started from the city hall at 9:00 a.m. on Saturday, November 4, 1967. Around 17,000 participated and 10,000 completed the walk of 35 miles. The majority of walkers were teenagers and the amount raised was $192,000, the highest I believe in Canada.

The morning was chilly and part of the route was across the beach strip. It was a valiant effort. Mayor Copps finished the walk and I was very proud that my 14-year-old granddaughter was one of the gallant 10,000 — a great achievement.

Mr. Speaker, I am more than gratified to remind this House of McMaster University's great good fortune in acquiring as a gift the Bertrand Russell papers. This extremely important and valuable material cost the university not one penny. It was made available by the generosity of public and private sources, foundations, individuals, alumnae and friends, as well as of Earl Russell himself. Sums ranged from $255,000, the gift of the Atkinson charitable foundation and the $150,000 Canada council grant, down to the smallest individual contribution.

I know that all members of this House would wish to join with me in thanking Earl Russell and all those whose generosity made this acquisition possible—and in congratulating McMaster University on its good fortune in acquiring this great literary treasure.

Mr. Speaker, I compliment the government of Ontario on its ever-increasing housing programme, particularly in the field of the senior citizen. Senior citizens' housing is being continuously improved in Ontario and in Hamilton we have presently underway some 545 units in the Jackson Hess complex and an expected 395 units in the Martinique site.

Just recently I discussed housing in general with the Minister, the Hon. Stanley Randall, who was most considerate and concerned. He agreed with me that a condominium development close to the downtown area would be most suitable to house a group of people needing accommodation within their means and hitherto not considered in the area of economic housing. I refer to the widow and single woman either employed in a low-income position or retired on generally a much lower pension than that enjoyed by her male counterpart, and yet not eligible for pensioners' apartments by reason of the age restriction. Also an increasing number of retired people no longer able to take care of a home and garden with its normal responsibilities.

I feel, Mr. Speaker, that this group usually can afford to take care of a small apartment but in view of the continuing escalation of rents and the cost of living there emanates a fear of what might happen later. I feel a condominium development would give them peace and security of mind, as they are in a position to buy these units, if necessary with a minimum down-payment, and retain that feeling of independence so vital to their well-being. I would urge this government, through the Minister, to thoroughly investigate and construct such a development in Hamilton.

In closing, it was my privilege this week to attend a seminar of the Hamilton geriatric society formed in 1967 under the chairmanship of Mr. Russell Frost. Dr. J. A. MacDonell, the well-known geriatrician of Deer Lodge hospital, Winnipeg, was the speaker. Mr. Frost in his address gave a detailed report on the plan to create a geriatric service centre based on St. Peter's infirmary. The objective is to provide all possible gradations of care according to the specific and changing needs of the individual.

There will be institutional care for the chronically ill, residential facilities for the

aged, with the skills and facilities necessary for such institutional services supplemented by a social and recreational centre. Comprehensive day care will be available to assist in keeping elderly people out in the community in their own environment. The goal is not merely to prolong life but to prolong living by combining these services under one administration and on one campus.

We believe it will be possible to achieve the greatest possible integration and effectiveness. Most of the property needed has already been acquired. The Hamilton city council has promised a $2 million grant. Discussions have been held with the Minister of Social and Family Services (Mr. Yaremko), whose department was represented at the meeting, and I pray this government will assist this so-worthwhile endeavour to the utmost.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, in the waning days of the first session of the 28th Legislature, it may be appropriate for me as a new member to give one or two of my impressions of this House.

One impression is the inability of *Hansard* to indicate the tone of voice and the seriousness or the facetiousness of any individual speaker; and I offer no solution to this. *Hansard* can hardly insert expressions such as "with tongue in cheek" or "with a twinkle in his eye"; but the trouble arises when a ghost writer, while preparing a typically anti-social speech, comes across a sentence containing a phrase such as "to revere Canadian citizenship" and proceeds to turn it into an out-of-context quotation.

Now no member who heard the speech of the hon. member for Peterborough (Mr. Pitman) on February 26 took exception to what he said or misunderstood what he said about citizenship courses. But almost five months later this phrase about "revering Canadian citizenship" turns up in a government member's speech in an effort to embarrass the hon. member for Peterborough. This results from one of the shortcomings of *Hansard*.

An early impression of the Legislature—I might say, Mr. Speaker, that these maps were very helpful. We over here have a very close-up view of the Conservative rump and there is only one word to describe it, it is handsome, but as I look across as far as the back benches, my vision becomes somewhat less accurate and my impression somewhat less favourable. I saw early that there was one man who was a "Kerr" and another man who was "Meen", and then there was a man who even admitted that he was a "Gross man"—and I hope *Hansard* will not make this look too bad, Mr. Speaker. There was one member who was almost "Crass."

Now the backbenchers of this government, you must admit, have their "Price", he comes from St. David. But looking to the Liberal members we find much more respectability. I found a "Knight" and a "Deacon." Of course, we have "Deans", even more respectable, I think, than "Deacon", but they have only member who is really "Good" and only one "Bright Hope"—Breithaupt—in the whole lot of them.

Now, after my maiden speech, Mr. Speaker, the art critic for the *Globe and Mail*, Arthur Bryden, raised doubts about my poetic ability. I had not realized at the time that what I was saying sounded like poetry. It had no rhyme, it had no rhythm, which I believe is the basic ingredient of poetry, although nowadays that may have gone out of fashion. But I should have risen, I suppose, on a point of privilege because I am afraid that his comments on my poetic ability may have jeopardized my position among the ten immortal poets of Canada and this inspired me to prepare an epic poem, or to start an epic poem, entitled "The 28th Legislature." I should like to dedicate this, Mr. Speaker, to—well I do not see anyone better than yourself. Now, I might explain that this poem was composed by me without any assistance—

Mr. V. M. Singer (Downsview): Does he get an autographed copy?

Mr. Burr: —and I would like the member for Downsview to realize this. I composed it myself, I wrote it myself, I have even memorized it myself, and I can recite it "no hands." It goes like this:

Winkler with gestures—
Winkler, Winkler, Morningstar,
How I wonder what you are,
Yakabuski up so high,
Dr. Dymond in the air polluted sky.

At that point, Mr. Speaker, I think the House deserted me and has not been around since.

An hon. member: It was the pollution that cut it off.

Mr. Burr: It may have been.

Before I leave the subject of poetry, Mr. Speaker, as a kind of tribute to the leader of the Opposition (Mr. Nixon) I should like to recall a poem that was current in 1945 when he was only a high school student, I

suppose. But at that time, I believe, his father was the leader of the official Opposition in the 1945 election. The CCF leader was Mr. Jolliffe, and Hon. George Drew was the leader of the Conservative Party; and this little poem went the rounds of London, Ontario. I do not know whether the member for London South (Mr. White) wrote it or just what its origin was. As far as I know it is anonymous but it went like this—the election was in June and the Legislature would be meeing in the fall—

Oh what a Jollification
There will be in the early fall,
If the province says nix on Nixon,
And Drew drew not at all.

The Jollification did not take place, but that is one of the remnants of that election campaign.

Now, Mr. Speaker, on May 2, I attempted to read into the record a report by Dr. George L. Waldbott, of Detroit, Michigan, on the effects of air pollution in the Dunnville, Port Maitland, Cayuga area. This occurred during the estimates of The Department of Health, but after a point of order was raised by the hon. member for London South, I agreed to postpone this report until another occasion, and the hon. member for London South suggested the Budget debate as a suitable occasion. It was my original intention to read the whole report verbatim. Instead I shall attempt to shorten the report. Any hon. member who may wish to have the complete report is welcome to receive one as long as my supply lasts.

The report opens with a customary recital of the author's qualifications and experience. This actually runs to three pages. I shall reduce it drastically, but to me some of the most impressive facts mentioned are the following:

Dr. Waldbott was co-founder and president of the American college of allergists. He was the founder and chief of allergy clinics in four different Detroit hospitals. He is the president of the Michigan branch of the American college of chest surgeons. He is the secretary of the newly-founded international society for fluoride research. He is the chairman of the air pollution committee of the Michigan allergy society. He was the first to report a fatality from the use of penicillin; he was the first to report a lung disease caused by smoking which eventually leads to emphysema and other disorders; in fact he has had published more than 180 articles of original research. Most physicians would be proud to have one such article to their credit. Dr. Waldbott has over 180.

About 13 years ago this work as an allergist and his experience with intolerance to drugs amongst his patients led him to the study of the effects of fluoride on the human body, and consequently he has made urinary analyses for fluoride on more than 300 individuals. He has had analyses done for fluoride in food, in eye cataracts, in bones, and in other organs of the body. In the course of these studies he has compared normal appearing aortas with calcified aortas, normal skin with diseased skin, normal lung tissues with diseased lung tissues.

He has travelled to Florida, Texas, Italy, Switzerland, Sweden, Belgium and Germany in order to observe personally, and to obtain data on fluoride damage to livestock, plant life and humans, and this was the purpose of his visit to Dunnville last September. When the CBC programme "Air of Death" publicized the dangerous situation, a three-man committee was appointed under The Public Inquiries Act. Dr. Waldbott visited Dunnville, or the area, on two occasions—September 13 and November 12, 1967, and he interviewed 18 persons. He had five of these go to Detroit for personal examination. Two of these five were hospitalized in Detroit for laboratory studies and consultations with other specialists.

In his report Dr. Waldbott explains carefully the kinds and degrees of fluorosis in different environments and the wide spectrum of symptoms that make diagnoses so difficult even for one who has considerable experience in the field. Out of consideration for the members I shall skip this part of the report although I realize that I may be doing the doctor an injustice in so doing.

How Dr. Waldbott diagnoses fluorosis in the Dunnville area, however, I shall report almost in full. I am now quoting Dr. Waldbott:

> One of the experts at the enquiry stated that he had never encountered a case of fluorosis, yet he maintained that he could diagnose fluorosis as readily as he could leprosy.

Now may I interject, Mr. Speaker, that he must surely have been referring to dental fluorosis, or mottled enamel, the cause of which was discovered over 30 years ago, and that it is about the only disease that could be subject to instant diagnosis.

> Those who have observed cases of chronic fluoride poisoning cannot share this viewpoint.

There is a parliamentary phrase for you—"cannot share this viewpoint".

> Fluorosis is difficult to diagnose, especially in its early stage. As in most other kinds of chronic poisoning the symptoms are vague and develop slowly and insidiously. Since fluoride can accumulate in and adversely affect any organ, numerous other ailments resemble chronic fluoride poisoning. Objective physical signs are sparse and no specific laboratory tests are available which would pinpoint the diagnosis. Furthermore there is no way of eliminating completely fluoride from food, water and air. Therefore, evaluation on a basis of elimination procedures, as in drug poisoning, is difficult.

Moreover, the medical profesison is constantly being assured that the disease does not exist. Physicians have not as yet been alerted to its manifestations. A recent report by two Mayo clinic physicians—this is in the *Journal of Urology* of 1966—demonstrates that even an advanced case, with characteristic skeletal changes, constituted what the authors called a "diagnostic riddle" for years before it was correctly diagnosed. It was eventually proven to be due to fluoride in water naturally.

In another classical case of fluorosis, a resident in a natural fluoride Texas area was hospitalized on many occasions. The disease was not diagnosed until after the patient had died of its complications. This is reported in the annals of internal medicine in 1965.

In Spain, Professor Soriano at the University of Barcelona had observed an unusual bone disease amongst alcoholics since 1953. It was not until 1962, nine years later, that he began to consider and eventually prove fluoride as a cause of the disease. After a medical meeting in high-fluoride Lubbock, in Texas, where Dr. Waldbott presented data on chronic fluorosis, X-rays and the records of two cases of chronic fluorosis were presented to him. The diagnosis had baffled their physicians until they were alerted to the disease for the first time at this meeting.

Another dilemma with respect to the diagnosis of fluorosis is the fact that the average physician and nearly all hospitals in Canada and the United States lack facilities to carry out reliable analysis of fluoride—in spite of the fact that fluoride pollutes the air in nearly every industrial city and is now being consumed and imbibed more than ever before.

Thus, says Dr. Waldbott, even some of the most competent physicians have no personal experience with the disease and must accept the dictum and writings of those who deny its existence. When they do consult textbooks they find only limited space devoted to the subject.

The experts whom they consult, like those who appear before the commission, have dealt mainly with statistics and biochemical data. Their personal experience with individual cases is limited or lacking. Those who do encounter chronic fluoride poisoning are either employed by, or received their research grants from, industry. According to their contract agreement with the corporation involved they are not always free to present the available data to the profession if it is contrary to the corporation's interests—this is documented.

Health officials on the other hand must rely on data which industry-sponsored scientists have provided because very little research independent of industry is available in the English language literature. Furthermore, before much knowledge of the disease was available, health authorities in Canada and the United States had committed themselves to the concept that persistent fluoride intake of minute amounts is harmless. Paradoxically they have inaugurated a vigorous campaign to combat air and water pollution but damage by fluoride—one of the most important pollutants—has been given little or no attention in public health literature. This neglect in the literature contributes materially to the difficulties in recognizing chronic fluoride intoxication. In fact, because of this lack of knowledge, two Port Maitland patients who complained of arthritis and colitis were told by their physician, even before they were examined, that this condition is not related to fluoride.

How then can it be determined whether or not fluoride emission near Erco has caused illness?

Dr. Waldbott outlines four steps. First he says that excessive exposure to fluoride by those afflicted must be established. Second, other diseases to which the symptoms can be attributed must be ruled out. Third, the possibility of specific criteria to further pinpoint the disease must be explored. And, fourth, the symptoms among the afflicted persons must agree with what is known about the disease in the medical literature on fluorosis.

Although one must allow for variations from person to person, the characteristic features of the disease must be present among those afflicted. So the first question is,

"Were the afflicted persons exeessively exposed to fluoride?"

Dr. Waldbott answers:

> With respect to exposure, no air contaminant other than fluoride etches windows. No other produces the characteristic exostoses on the ribs of cows, the lesions on their legs associated with the typical stance, gait and painful outstretched forelegs. No chemical other than fluoride produces the characteristic fluoride damage to the tips and margins of leaves.

All these features were encountered in the Port Maitland area and were demonstrated in a CBC film.

If data are available to the commission at Cayuga which tend to show, first, that the air in the Dunnville area contained fluoride levels within so-called allowable limits; second, if it shows that bones contain less fluoride than would harm the animals; and, third, that urinary fluoride excretions are within so-called normal limits, then there is urgent need for a careful examination of all available figures and for revision of the standards which have been set up arbitrarily by industry-connected scientists.

Dr. Waldbott says that since cattle have died of fluorosis in this neighbourhood; since herds have been wiped out; since fruit trees have been destroyed; since the afflicted individuals were drinking water containing up to 38 parts per million of fluoride; and since the dust which covers nearly everything in the area contains about 1 per cent fluorine, one must challenge statistics set up by biochemists, who maintain that there is not sufficient fluoride in the air to be significant.

Actually the data on which these scientists depend cannot be accepted without careful examination of each individual figure. The data vary from day to day, from season to season, with different weather conditions, such as wind direction, humidity, rainfall. They vary with the topography of the location and the data vary with the kind of vegetation and growth in the area—with the individual animal, plant, or human, and with many other factors.

Whereas many humans can tolerate relatively large doses of fluoride without apparent ill effects, no two cases react alike. Individual differences in reactions between people are the rule, rather than the exception.

Even for those of us, Mr. Speaker, who are laymen the following examples are of some interest. Dr. Waldbott says:

> I have observed severe shock and a grave condition from a single test dose of as low as 6.8 milligrams. In another individual one milligram of fluoride administered as sodium fluoride, in three glasses of water produced, within ten minutes, abdominal pains so severe that I had to resort to narcotics.

This is the kind of personal experience which can never be brought out in statistical studies. An air trapping device exposed above the surface of the soil does not record the amount of fluoride in the dust which has collected on food and water at the dining table of the afflicted person's home. There has been heavy exposure to fluoride in the Port Maitland area.

The second step suggested by Dr. Waldbott is the elimination of the possibility of other diseases and this is what he says on that score. This is quite brief:

> After three months of extensive studies by some of Canada's most competent specialists, it was admitted before the commission that no diagnosis was made on one of the patients. Neither was the case of another patient adequately diagnosed during his Toronto hospitalization. Recognition of the presence of arthritis, gastritis, colitis, piolitis, or hyperparathyroidism does not suffice to rule out the existence of fluoride intoxication, unless other specific causes for these diseases have been determined. Indeed when a patient exhibits the combination of several diseases as in the Port Maitland cases, physicians usually search for a single underlying cause. No cause was established by the attending physicians in any of the patients.

The third step suggested by Dr. Waldbott is exploring the possibility of specific criteria for fluorosis. And he says:

> There are no specific laboratory or clinical tests which would pinpoint the diagnosis of fluorosis. Serum calcium and phosphorous levels may be above or below normal values. The alkaline phosphatase in the blood is often increased. There may or may not be disturbed kidney, liver, or bone marrow function. Gastro-intestinal X-rays may show evidence of gastritis and spasticity in bowels.
>
> Fluoride determinations in urine, blood and bones have been used as criteria of fluoride damage to the system. Actually they are of limited value in permitting conclusions concerning the fluoride intake, and of much less value in assessing harm to internal organs by fluoride.
>
> The fluoride content of urine varies from hour to hour, from day to day. It is

dependent on how much fluoride has been absorbed in the gastro-intestinal tract, or eliminated through the bowels, skin and salivary glands. It depends on how much fluoride was stored in the system prior to the time of the tests and on innumerable other factors. For instance—

Well, I shall skip a paragraph or two here, Mr. Speaker.

Fluoride analyses of blood is equally as unreliable in pinpointing damage by fluoride. Dr. Tidey reported on fluoride values in four members of the Warnick family.

This was one of the families in the area, all of who were examined.

All were taken in February at a time when there was much less exposure to fluoride than during mid-summer. Nevertheless Mr. Warnick's blood even then contained 0.7 parts per million, an unusually high value. In five out of 16 cases of advanced crippling fluorosis in India, the blood values range from 0.5 to 0.8 parts per million. Similarly the fluoride content of bones gives no information concerning the fluoride concentrations in any other tissue, and certainly none about damage to internal organs.

The thesis that there cannot be skeletal fluorosis unless bones contain about 7,000 parts of fluoride is no longer tenable in the light of recent observations. Soriano, Singh and Pinet report crippling fluorosis in individuals whose bone fluoride ranged from only 600 to 1,800 parts per million. [These findings, I might say, were made in 1961, 1965 and 1967.]

Probably the most reliable method of pinpointing damage to a certain organ is the analysis for fluoride of tissue of the affected organ. When Sauerbrunn finds in the liver 61 parts per million of fluoride, when Call finds 258 parts per million in the aorta, when Herman finds 181 parts per million in the kidney, the implication made before the committee by Dr. Martin that little fluoride reaches soft tissue is erroneous. If such values were correlated with existing symptoms, they might furnish considerable information concerning damage to fluoride.

Finally, a skin lesion was described in 1967 by two groups of scientists in Italy, which may turn out to be a major criterion of the disease. It consists of a small, round, dry, blue or brown lesion of the size of a dime or quarter, simulating a bruise. It appears suddenly on arms or legs or trunk, and clears up spontaneously in five to ten days. The incidence of this lesion in a population near a fluoride-emitting factory varies with the distance of the factory from the patient's home.

Dr. Waldbott says:

I have seen these lesions repeatedly in patients poisoned by fluoride including the two Port Maitland individuals.

Now, the fourth and final step in the diagnosis: Dr. Waldbott says the findings must be in agreement with what is known about fluorosis in the medical literature, and on this score he says:

In reviewing the medical literature it must be recognized at the outset that with such inorganic fluoride compounds as are present in the Dunnville area the fluorine content determines a toxic action of the compound. In most instances it does not matter what kind of factory emits fluoride compounds, or whether the compound is derived from water, air or food. Furthermore, we are not concerned here with dental and skeletal changes; they are not likely to play a significant role, since the factory has been in operation only for seven years.

In addition to the classical work by Roholm, detailed studies of the disease are at hand, particularly in the Scandinavian countries. Czechoslovakia, Germany, Italy and Belgium—in which manifestations have been described in addition to the well known dental and skeletal changes.

In the United States, skeletal fluorosis has also been reported. Unfortunately, reports in the United States' medical literature are incomplete. They have been interpreted by authors who have had little or no previous personal experience with the disease. Four fatalities, however, have been reported: two from natural fluoride water in Texas, and two from artificially fluoridated water in 1963 and 1965. From an Indian reservation in Arizona, 22 cases of fluorosis were reported—these were in 1965—and surveys on 23 and 21 additional cases are also available. The two Texas patients—

I am trying to shorten this, Mr. Speaker—

Mr. Speaker: Perhaps I might help the hon. member out, because it is obvious that he is not going to conclude before the dinner hour, and it being now six o'clock, I do leave the chair.

It being 6:00 of the clock, p.m., the House took recess.

ERRATUM

Friday, July 12, 1968

Page	*Column*	*Line*	*Correction*
5545	2	4	Change to read: of the economy, due to the confidence generated

Legislature of Ontario Debates

No. 158

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First Session of the Twenty-Eighth Legislature

Thursday, July 18, 1968

Evening Session

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Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JULY 18, 1968

The House resumed at 8:00 o'clock, p.m.

BUDGET DEBATE
(Continued)

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, most pertinent to this enquiry is the perusal of a court record of three members of a farmer's family in Troutdale, Oregon, residing near an aluminum factory, which had been in operation only four years. These important cases were not presented to the medical profession. However, the data recorded at the trial suffice to permit conclusions. Windows were etched, vegetation was damaged, and cattle had died because of fluoride emissions.

According to the transcript of the trial, Mr. Paul Martin—this is the instance where the family collected $35,000 damages—Mr. Paul Martin had diarrhea, gastric disturbances, and a distended abdomen. He had arthritic pains in the spine which radiated into the legs so that he could not bend down to tie his shoes. He had a dry cough and shortness of breath, urinary disturbances, and evidence of toxic hepatitis.

His wife, Verla, was afflicted with the same symptoms, the liver function was normal but the kidney function was impaired.

The daughter, Paula, had arthritic pains in the spine, difficulty in breathing, arthritic-like pain and swelling of the ankles, combined with urinary and gastro-intestinal symptoms. She too had hepatitis and a low-thyroid function. This description of the disease again confirms the wide spectrum of symptoms, and, as it will be seen, is identical in every detail with the illness of the Maitland area farmers.

Other cases of "neighbourhood" fluorosis have been published in the medical literature abroad. These were in the medical journal, the British medical publication called the *Lancet* in 1946. And Dr. Waldbott gives a condensed reproduction of the essential data on eight members of a farmer's family in England, living near a fluoride-emitting ironstone plant. That is presented in table 5. It features gastro-intestinal symptoms, rheumatoid pains in extremities and respiratory difficulties. He then goes on to tell about his own experience with human fluorosis, during which he had occasion to examine more than 100 individuals, at least twenty of whom had extensive tests in consultation with other physicians.

He then lists the two groups of symptoms —the neuro-muscular ones and the gastro-intestinal ones, which I shall not attempt to list. And he says the most striking feature of the disease is extreme progressive exhaustion, with increasing loss of mental acuity, loss of memory, and loss of ability to concentrate. Eventually the patient becomes completely disabled. Some patients manifest irritation of salivary glands which in conjunction with excessive thirst, polydipsia, is often associated with a tendency to chronic tonsilitis and pharyngitis, similar to that seen in sensitivity to iodine.

> Objective findings are: limitation of motion in the spine, decrease of muscular power of the arms and legs, fasciculation of muscles, hyperhydrosis, abdominal distention, tenderness upon palpation of the abdomen, dilation of retinal vessels. The disease is reversible.

Then he gives an account of the various cases that he examined, and I shall not go into the details of these, but they are very instructive for anyone who is interested in this particular disease. He says:

> During my visits on September 13, and November 12, 1967, to Dunnville, I estimated that only four out of 18 persons interviewed were afflicted with fluorosis. Since then, I have learned by examining five patients personally and by processing the findings of all cases, that this estimate was too conservative. Out of 18 persons who complained, 10 were definitely, and seven probably, afflicted with fluorosis. The diagnosis is based on the clinical findings of the disease which are identical with the illness which I reported in three medical journals.

Now, I shall skip the various details of the cases, and come to the recommendations, as to what is to be done about these people.

I shall summarize these. These are his recommendations:

Of the 20 individuals investigated by Dr. Waldbott, 10 were definitely suffering from fluorosis, and several others were suspected of this slowly developing, progressive disease, characterized mainly by arthritic changes, gastro-intenstinal symptoms, and other symptoms now recognized as important features of fluoride poisoning. He lists various recommendations for the afflicted people. The first is that the opportunity should be created to move away from the polluted area. Secondly, all sources of fluoride should be avoided, and third, he recommends certain medication which should be provided to counter the fluoride's effects. He further recommends that laboratory facilities for fluoride analyses should be made available to hospitals and physicians and finally the data of the new clinical research being done on fluorosis and published in many countries should be disseminated to all persons active in the public health field.

Now, his bibliography contains 55 references, and it is interesting to note that 23 of them have been published for the first time in the last four years.

There are several informative graphs and charts in the report, and as I said before, any hon. member who wishes a copy may get one.

Now, Mr. Speaker, Dr. Waldbott has spent a good deal of time and money, whereas you and I have spent only an hour or so reading the report. You can imagine the amount of time that went into the preparation of the report, and all the work involved prior to its release. He has spent a great amount of time and money on the research on behalf of the people who live near Erco, in particular, and on behalf of human beings in general.

It is obvious that he intended and desired to present his findings to the commission. It is not my wish to indulge in any recriminations or arguments about why he was eventually not called. Let us merely accept the fact that he has made a contribution to our better understanding of the effects of air pollution in Ontario, and let us profit by his advice.

In conclusion, Mr. Speaker, let us, as members of this Legislature, be grateful for his industry and his interest on our behalf.

Mr. G. A. Kerr (Halton West): Mr. Speaker, taking part in this debate at this late stage of the session, I might say that one of the topics which interested me most was the discussion during the estimates of The Department of Trade and Development regarding our so-called branch plant economy.

There has been a great deal of criticism from members opposite regarding expansion and growth of United States subsidiaries in our province. This criticism is mainly that we are losing control over our economy as a result of foreign investment and foreign-owned companies. I think, Mr. Speaker, that some of the criticism is justified and some of it is not.

Mr. J. B. Trotter (Parkdale) Most of it is.

Mr. Kerr: It is justified in that United States subsidiaries are not putting their share into the Canadian market so as to allow Canadians to participate in direction and management. Also, these firms are not training and hiring enough Canadians. United States subsidiaries are taking Canadian equity and the dividends are going to the United States. They are too often copying head office procedure in the United States. They have not recognized, for the most part, that Canada is a different country with a different market and a need to practice different business methods.

There should, therefore, be guidelines and, if necessary, legislation to correct some of these faults. The problems seem to result from the methods and attitudes of the men running the subsidiaries up here.

However, Mr. Speaker, we should not knock our so-called branch plant economy *per se.* In my opinion, the Watkins report was far too drastic in some of its recommendations.

We can change things without inhibiting and curtailing this important segment of our Ontario industry. The blunt truth is that we, in this province, need this investment because without it we would not have been able to maintain the high employment level we have now.

Unfortunately, we do not have the means nor, apparently, do we have the desires as Canadians to invest in industry in Canada in sufficient amounts to employ all the people available.

We have no precise idea, Mr. Speaker, of what additional Canadian funds are, in fact, available for investment. We do know that Canadians are among the greatest savers in the world. In 1965, for example, national saving in this country was equal to 20 per cent of the gross national product. In the

United States in the same year, national saving amounted to only 16.3 per cent of the GNP. By saving 16 per cent of their GNP and not 20 per cent, the Americans released into their economy several billions of dollars. The effect of this should not be underestimated.

As the hon. members know, our province and country is growing very rapidly as an industrial nation and we have, therefore, been able to put approximately 0.5 million people a year that enter the labour market to work. If the policy of investment in Canada that is criticized in the Watkins report had been other than it is, it is pretty clear to me, Mr. Speaker, that we would not have been so fortunate in this regard.

We demand a high standard of living, many of us insist that it should be the same as our wealthy neighbour. In my opinion, the most single important task of the government of Ontario, or any other government, is to do everything reasonable to see that there are jobs for those who want and need them.

The curse of high unemployment would certainly monopolize the time and tongues of the members of this House more than anything else if our eonomy stagnates, slows down or fails to expand to the extent that too many people are out of work.

It is not necessary for me to remind the hon. members the growth of plants in southern Ontario. The automobile industry is a good example. The recent trade agreement between the United States and Canada means that today more people are employed in this industry in Ontario than ever before. More vehicles are being produced here than ever before, and above all there are guidelines and rules by which Canadian participation in the market is assured to a great degree.

The ironical and rather contradictory statements of certain members opposite confuse the picture. On the one hand, the Minister of Trade and Development (Mr. Randall) and the government is being accused of concentrating their efforts on the proliferation of manufacturing plants to the detriment of the development of our natural resources, and in the next breath they are saying that there should be more of these plants in eastern and northern Ontario.

I think, Mr. Speaker, that the Minister of the department concerned is making an effort to encourage industry to settle in the areas of the province that need it with some success. However, this is another matter.

As I have said, changes are necessary in our policy regarding foreign subsidiaries in Ontario. Our laws should govern the operation of foreign companies doing business here. Canadian plants, regardless of who has control, should not be governed by some foreign state department. They should not decide what nations the Canadian industry can do business with. I believe that with the rapid development of international trade in the past few years, such laws can be and will be negotiated between the governments to the satisfaction of both.

I believe, Mr. Speaker, that head offices in the United States are anxious to be good citizens in the country in which they are doing business, and indeed they have demonstrated in most cases a strong community approach to the problems of hospitals, education and social welfare. In the world of advance technology the costs of research and development are astronomical. Foreign corporations have been a help to the Canadian economy in this regard since they have vast pools of money with which to carry on the advanced research which is required.

However, Mr. Speaker, American businessmen are "horse-traders." The best in the world. They have a tendency to look down —take a rather condescending view of countries that cannot horse-trade and negotiate effectively with them. They tend to run roughshod on those that they can push around. They respect any people or any nation that is frank and lays it on the line. We have not been doing enough of this. We could tell them that we want to do business with them. We need their investment, but not always on their terms. In this way we will assure a greater degree of economic independence, and above all, our own national sovereignty.

I would like to deal, Mr. Speaker, for a few minutes with the Ontario development corporation programme, called equalization of industrial opportunity in Ontario. This is the programme whereby if industry locates in certain designated municipalities it would be eligible for a forgivable loan. The intent and purpose of this programme is commendable, and certainly industry should be encouraged to settle in areas that need this type of assessment and development.

In this way we could help ease congestion, pollution, housing shortage and expanding need for costly services.

However, any programme, Mr. Speaker, that designates certain areas for some sort of preference causes problems. For example, in my riding, which naturally is not a designated area, there are established industries

which have expansion plans and which are now considering locating in a designated area in order to qualify for this gift from the province. A town such as Burlington has demonstrated an awareness of the social, economic and political strength of a growing industrial segment, and has prepared for such growth by the expansion of essential services, by having development agencies or departments established to promote and assist industry. Because of the essential dormitory and character of our area, the large residential complex, it is important that we have a reasonable share of industrial assessment. Now however, potential industry may look elsewhere. We do not object to these plants going to northern, eastern or any part of the province that lacks them because of location, because of such things as lack of suitable labour market, transportation facilities, distance from large consumer markets, and so on.

Those areas, regardless of how hard they try, could not attract or interest industry. The government has a duty to assist as it is doing. However, areas in southern, southwestern Ontario have been designated and this results in unfair competition to those municipalities within 20 or 30 miles which are not so designated. Even an existing plant in Burlington, for example, would reconsider plans to add on or expand on a present site and possibly would locate next door. The major advantage of industrial growth is to improve job opportunities and any government programme designed to use public funds to subsidize industry should make funds available to any and all industry which will expand and create new jobs, which is properly located to assure success and solvency.

In short therefore, Mr. Speaker, designation by ODC should be by region, not by municipality. It should be done so that orderly growth of plants in non-designated areas will continue and the costs of production will not be unfairly altered between competing companies located basically in the same region, producing basically the same goods and in municipalities having the same facilities, labour market, transportation costs, in other words, the same characteristics. An interest-free forgivable loan of a couple of million dollars could make a big difference.

Now, Mr. Speaker, I just want to take a few minutes to refer to the report of the enquiry into civil rights, the McRuer report. I wish it was possible just to file these three volumes and take them as read or mark them as exhibits 1, 2 and 3. However, I would like just to refer to some of the recommendations that I feel stand out possibly more than others, although one cannot help agreeing pretty well with the whole report.

I will just read some of these recommendations rather than comment to any length on them. For example, in the chapter dealing with the exercise of power of investigation, one of the recommendations is that arbitrary powers of investigation ought not to be conferred in any statute.

Another chapter dealing with the powers of search and seizure:

> Legislation which is intended to give power to enter, search and seize property, should so state in clear and unambiguous language. Where judicial authority to search and seize is required, the guidelines should be laid down to direct the judicial authority, that is reasonable grounds to believe. Individuals should not be exposed to capricious or vexatious search without recourse to civil courts. Every statute authorizing a right of search should provide that the search be exercised during the day unless otherwise ordered by judicial authority. No power should be given to any tribunal to investigate where it deems it expedient, or to any person to seize property where he deems it expedient.

Chapter dealing with coroner's recommendations:

> A survey should be made to determine how many coroners are required in Ontario and in what areas they should be located. Political considerations ought not to enter into the appointment of coroners. The duties of supervising coroner should be expressly defined by statute and all coroners should be subject to his control. Coroners should be restrained from entering into public debate respecting matters that have been subject of an inquest, but a coroner should not be restricted from advocating changes in the law. A coroner should not have powers to make orders affecting the liberty of the subject, or impose penalties.

Dealing with magistrates, we had quite a lengthy discussion in this House, Mr. Speaker, on some legislation of The Attorney General's Department dealing with magistrates. I will just read one or two of the recommendations:

> All magistrates should be appointed to serve on a full time basis.

For administrative purposes, one magistrate in an area should be designated the senior magistrate.

Only those with qualifications sufficient to command such salary should be appointed to be magistrate.

All magistrates should be qualified lawyers.

All cases in the magistrates courts should be prosecuted by qualified lawyers.

Adequate and proper accommodation should be provided for all magistrates courts, separate and apart from that provided for the administration of police forces.

Magistrates should not be permitted to accept extra-judicial employment for remuneration.

Dealing with juvenile and family courts—I think this first recommendation has already been adopted:

The province should assume the responsibility, financial and otherwise, for the administration of the juvenile and family courts.

The province should be divided into juvenile and family court areas irrespective of municipal boundaries, having regard to the convenience of the public only.

A full time juvenile and family court judge should be appointed in each area.

Juvenile and family court judges should be appointed to that office and that office alone.

Magistrates should not act as juvenile and family court judges.

There should not be power to send a child to industrial training school for breach of a city bylaw or provincial statute.

The term "juvenile delinquent" should be abolished as far as it applies to provincial offences.

Division courts—I will by-pass that.

Bail procedure:

Greater consideration than is now given should be given to the granting of bail on arraignment and its amount.

Where there is little likelihood that the accused will not appear to stand his trial, the requirements of bail should be kept to a minimum.

The Summary Convictions Act should be amended to permit an appeal from all convictions for offences under Ontario statutes upon the mere serving and filing of a notice of appeal, without any sureties for payment of monetary sums or costs.

In those cases where imprisonment is imposed without the option of a fine, provision should be made for release on bail without sureties pending the hearing of an appeal, unless the need for sureties has been demonstrated, and no bond for security for costs should be required.

I noticed in the paper this week, Mr. Speaker, that the new Minister of Justice in the federal government intends to make some substantial changes in the criminal code in regard to bail; long overdue!

Dealing with compensation—victims of crime:

Persons who sustain injury or property damage while engaged in assisting peace officers in arresting any person, or in preserving the peace, should be given a legal right to be compensated by the province.

Persons who sustain injury or property damage while exercising their legal rights to effect an arrest, or preserve the peace, should be given a legal right to compensation by the province.

The wording is a little different in that second one.

Expropriation—I think, Mr. Speaker, I would say that all the recommendations on expropriation in volume 3 of this report should be adopted.

The right of an owner whose property has been expropriated to be paid compensation should be secured in the constitution.

The Legislature should not confer the power of expropriation on any body or person unless it is clear that the power is inescapably necessary in the interest of good government, and that there are adequate controls over its exercise.

There should be a complete review of all the powers of expropriation with a view to determining the necessity of each one, and the adequacy of statutory safeguards controlling their exercise.

There should be adequate notice to expropriate to all persons affected.

I will not deal any more with these recommendations. I am taking probably longer than I should, but there are many more that I could mention.

I would like to just mention here, Mr. Speaker, that I agree with the Attorney General's (Mr. Wishart's) formal statement in

regard to wire tapping and the use of electronic devices—

Mr. J. E. Bullbrook (Sarnia): He agreed with our position.

Mr. Kerr: Yes, he says they should be basically illegal, and used only by police forces upon application to a superior court. An *ex parte* order could be made and the hearing should be held *in camera.*

A word, Mr. Speaker, about county jails. Many of these county jails are most inadequate, certainly by present-day standards; I do not want to call them dungeons because they are basically clean, but they are just inadequate, particularly as far as facilities for segregating first time offenders from people with long criminal records.

I understand that The Department of Correctional Services and the Minister (Mr. Grossman) have definite plans to improve or replace many existing county jails. I am sure he has a plan, top priority, for the county of Halton. We had, Mr. Speaker, a plan for a regional detention centre that was to be built in conjunction with the two counties, Halton and Peel. However, since the province has taken over the cost of the administration of justice and of building these centres there may be some delay. I hope it will not be too long.

In the meantime, I think some facility changes and improvements can be made to the present jail in Milton. I hope, Mr. Speaker, that the hon. Minister of Correctional Services will be able to convince the hon. Provincial Treasurer (Mr. McNaughton) that a regional detention centre should be included in the 1969 Budget.

I just have a little potpourri here. One thing I want to mention, whether the hon. members know it or not, merchant seamen do not have an opportunity to exercise their franchise particularly between April 1 and about December 1. They are denied the right of voting because they are away at sea. For example, there is one merchant seaman in my riding who tells me that he has not voted in the last two federal elections or the last two provincial elections because they were held in that particular time, spring to the fall.

I think that they should be given an opportunity to exercise their franchise. There should be facilities available certainly at Great Lake ports. They should have the same convenience in this regard as our service men. Possibly, a polling booth at a port or on the ship, but they should be given the opportunity to vote.

At least, Mr. Speaker, we can change our provincial laws in this regard.

Now I just want to close, Mr. Speaker, with one last plea for an improvement in GO transit service to Burlington. This is a perennial thing with me and we still only have four trains a day; two in the morning and two back in the evening. Now there is a page boy here who tells me that he is sick and tired of getting up at 6 o'clock in the morning to be here at 10 o'clock.

Mr. T. P. Reid (Rainy River): Give him a ride!

Mr. Kerr: At that hour? But in any event, Mr. Speaker, I hope that before the department has any plans to go north that they go east and west just a little more.

Mr. C. G. Pilkey (Oshawa): Mr. Speaker, I want to say at the very outset that the speech made by the member for Eglinton (Mr. Reilly) this afternoon really emanated from the dark ages. I would hope, and I say this in all sincerity, that the purpose of many of the things that he called for are really nothing more than an effort to destroy the labour movement in this province.

Let me just make some obseravtions and obviously I have not got all the material in terms of the speech that the hon. member made. I just wish that I had the opportunity to answer every charge that he made on the trade union movement in this province. I do not say this with any sense of egotism, but I could talk from the plant level and being a member of a trade union for well in excess of 25 years. The hon. member for Eglinton speaks as an employer, I suspect very strongly, and not as a worker who comes off the assembly line and who knows—

Mr. R. F. Nixon (Leader of the Opposition): He drives a Cadillac.

Mr. Pilkey: He drives a Cadillac, that does not make him—he does not know what really is happening at the plant level. He talks about the right to work and that was a very important statement that he made. The right to work.

Let me analyze, just for a moment, what that really means. The right to work—because that is not a new phrase; this question of the right to work. It was born and given some emphasis in the United States and let me say to the hon. member for Eglinton, through you, Mr. Speaker, that there were a number of states that had right to work laws. Today, in the United States, there are only three

states that remain with those right to work laws; Florida, Utah and Alabama.

I want to say to the member that if he gets down there where they have the right to work laws in Alabama, I suspect very strongly he could become a Senator there. On the basis of the speech he made today, he would be recognized as the senator from the state of Alabama.

And what has happened? What has happened in those states that have the right to work laws? Let me tell you what happened. They have the lowest wages of every state in the union and in addition to that, if there is any enslaved labour, that is where it exists; in those states that have the right to work laws. This is what you would be placing on the backs of the workers in this province if you entertained, in terms of legislation, the right to work laws here in the province of Ontario.

I would hope in all sincerity that this is not what the government is trying to bring into Ontario; the question of right to work laws that would enslave the workers in terms of lower wages and in terms of inferior working conditions as they have in the state of Alabama.

Interjections by hon. members.

Mr. Pilkey: Now also in regard to the right to work, I did not hear anything from the member for Eglinton when, in my city and in a number of other municipalities, the auto pact cost the workers in Oshawa 3,000 jobs. Where was their right to work when the jobs were taken away from them because of legislation that was perpetrated at the federal level? Where was their right to work?

I did not hear from the hon. member for Eglinton about Perfect Circle when all the jobs were eliminated. Did they have the right to work? Where was the Conservative Party when the jobs went to St. Thomas or St. Kitts? Were they standing up and saying that we should pass legislation guaranteeing that they move with those jobs? I did not hear any of it, and I did not hear the hon. member—

Mr. E. A. Winkler (Grey South): That is the Liberal policy.

Mr. Pilkey: I do not know whose policy it is, but I did not hear the hon. member in those situations.

I suppose if we had time to do a little research we could find where thousands and thousands of workers in this province were affected by runaway plants, by legislation, and their right to work was denied because of that. And yet this government stood idly by.

I do not know about confusing the issue, but let me say this. If we adopted the resolution that the member for Eglinton put to this House, you would destroy the union, and you would tear out the very fibres that built the trade union movement.

As a matter of fact, you would tear out the guts of the trade union movement in this province and it would reflect on the workers. But I cannot emphasize strongly enough that within the framework of the present trade union movement, in this province, we have made progress.

We have said approximately 18 years ago, and particularly in the UAW, we adopted a slogan that where workers were too old to work, and yet they were too young to die, we need pensions. We said that they ought to have dignity in their declining years of life. And they set out a programme and, in 1950, the Chrysler workers struck for 104 days, they walked the picket lines; there was no question about a membership in the union, or compulsory unionism; there was an objective, and it was a sound social objective. Those workers walked the picket line for 104 days to make sure that it was going to be a funded pension. And they won, they won that struggle.

Out of that struggle came a guaranteed pension of $100 a month. In negotiations after negotiations since that year 1950, the unions have built on this pension until today the workers who are enjoying the pension at least have a measure of security and a measure of dignity. Yet we find this kind of resolution that the member is calling for that would destroy those objectives. What else did we do? What else did the trade union movement do? In terms of medical, hospital, and group insurance—for too long the worker and his family were denied proper medical attention, proper hospital attention, and when he was injured he had no security; he just went off the job. Now we have provided benefits if he gets sick, if he has an accident at least he has some income, that would give him a measure of economic security. And we provided that through collective bargaining, during negotiations. And I want to say to the member, you would destroy that, on the basis of your resolution.

And what have we done in the area of wages? What has the trade union move-

ment done in the area of wages? We have brought them from a very low wage until today at least the worker can get some of the amenities of life. Oh, obviously, they have not reached the Utopian level yet. I do not think they ever will. I think that collective bargaining will go on and on. There is no end to it; there is no exact science in collective bargaining, and so it will perpetuate itself forever and a day in my opinion.

But, at least, the trade union movement, whether it is auto, steel or any other union, has made progress. And on vacation pay, at least the worker now can take his wife out of the kitchen and take her and his family on a vacation. And when there is a holiday, and he is laid off, at least he gets paid for that holiday. And these are important things. This is progress, this is progress. And what did the UAW, the steelworkers and other unions do in terms of the crisis periods, when there was unemployment for long and short periods of time, and there was no income for the worker? The union set out to guarantee him a level of income and they brought in a supplementary unemployment benefit plan, which is not only a godsend to the worker but it is a godsend to the communities that the workers live in, because this also helps the small businessman to keep his business going through those periods of crisis.

We protected them on the cost of living; as cost of living rises, we put formulas into the collective bargaining agreement that says that as the cost of living goes up, then the workers get some protection in that area during periods of rise of the cost of living.

And what else have we done? If nothing more, after the worker has fought and got recognition, this is what it was all about in the very beginning, and great struggles took place in those early days for recognition. And the second thing that they accomplished was the elimination of inhuman working conditions that existed in the plant in those days. Now the employees can go around in an organized plant with dignity and his head is held high. He is an equal with the foreman when he meets him; at least he has got equality when he meets him, at least he has got some equality at the plant level.

Now these things did not come easy, they did not come easy. And the hon. member, if I remember one of his statements this afternoon, said that the union leaders would inflict bodily harm if they opposed union policy. And then he started to read books and everything else. But here are some of the leaders —Walter Reuther and Dick Frankenstein. Look how they are beaten up. Look, here are pictures of people who were beaten up, not by the union boss but by the company goons, by the company goons, that is who beat him up; the Ford serviceman, along with the police in those days.

This is what happened. You talk about bodily harm. These are some of the things that the trade union leaders had to go through in those early days of organization. These are the things that they face. Do you think now they inflict those things on the worker after what they went through?

Mr. L. M. Reilly (Eglinton): Mr. Speaker, I know the hon. member for Oshawa wants to be accurate in his remarks. The only mention that I made in connection with what he refers to—being beaten up—was in connection with a question that was introduced by the hon. member for Grey-Bruce (Mr. Sargent) yesterday.

Mr. E. W. Martel (Sudbury East): Is the hon. member ever playing it safe now!

Mr. Reilly: Yes, yes. That is the only time that I ever mentioned this. And at that time, as the hon. members of the House will remember, I referred to United States and the labour rackets union, and read from the Washington newspaper. Yes. I know the hon. member wants to be fair and I wanted to make sure that he had the facts.

Mr. Pilkey: Well I would think—I submit, Mr. Speaker, to the member for Eglinton, if he had really supported that position then I feel confident that he would not have injected it during his remarks on the Budget. Now I can only assume that he supported the proposition. But I want to go on.

Mr. Reilly: No, Mr. Speaker, I must rise on a question of order. I suggest to him that no member of this House should impute motives to another.

Mr. Pilkey: Let me say for the hon. member's information, just let me tell him, read just a few of the paragraphs in this document to find out exactly who was receiving the bodily harm. I know of more than just the case that I am going to illustrate here:

> I could not see much of the actual beating because of the servicemen surrounding the victims and their attackers. I heard Frankenstein cry out several times, Walter said. Later, about 35 or 40 men surrounded us and started to beat us up. They picked

me up about eight different times and threw me down on my back in the country. While I was on the ground they kicked me in the face, head and other parts of my body. After they kicked me for a while one fellow would say: "All right let him go now." Then they would raise me up, pull my arms behind me and begin to hit me some more. They kicked us again and again.

Mr. Nixon: Terrible, terrible! What was the date?

Mr. Pilkey: Well, I am just illustrating what some of these fellows had to go through, what happened during the birth of trade unions and the trade union movement, particularly the industrial unions. I am not talking about Samuel Gomphers. I mean the hon. member went back 100 years, but I am only going back 30. He went back to that book that came up during the new deal, during Roosevelt's time—

Mr. Reilly: Mr. Speaker, I know once again the hon. member wants the facts. The book about which he is making mention was printed in 1957. The new deal was 1934.

Mr. J. E. Stokes (Thunder Bay): We asked the member a half a dozen times to give us the date of that book and he would not do it.

Mr. T. P. Reid (Rainy River): It was 1957.

Mr. Pilkey: If he is going back, I am going back.

Mr. Nixon: The hon. members were both 35 years out of date.

Mr. Pilkey: Do not worry, I have that down. We will bring that in too.

Interjections by hon. members.

Mr. Pilkey: Well the hon. member for Eglinton raised them. I think we ought to put in—

Mr. Speaker: Order! Order! The member for Oshawa is trying to make his speech, will the members please give him the courtesy of the House.

Mr. Pilkey: I think we ought to put the debate back on its proper perspective.

An hon. member: What does the hon. member think we are?

Mr. Stokes: They do not know what they are talking about.

Interjections by hon. members.

Mr. Pilkey: I want to read one more paragraph just to give hon. members an illustration of what was going in those days.

> A fellow was leaning over him and pounding him, a tall man in a grey suit and a grey hat was kicking him. Another fellow, he was fat, also was kicking him. They kept hollering "Kill him, kill him". I started pulling them off, I thought it was Mr. Merryweather. I said, "Oh, my God, he was on crutches".

These are some of the things that these people were subject to, and yet the member—

Mr. Nixon: That was the CSU, surely?

Mr. Pilkey: The member raises the question of bodily harm, and indicates, or he says he did not, but nevertheless it was remarks that were made during his speech on the Budget. I can only assume that he supports it and I just want to make my point that this question of bodily harm by the union bosses, I think this is the term that he used, is not correct.

What really has happened over the years is that it has been the leaders that have been subject to bodily harm and not the union members by the union leaders.

Mr. Nixon: Send it to Hal Banks, he will enjoy reading it.

Interjections by hon. members.

Mr. Pilkey: The member asked, "What about the teamsters?" You see, today what really bothered me was that the member for Eglinton just took a full swoop. He did not hit on any one union, he took them all into consideration and just made a wide swoop and took them all in.

Mr. Nixon: The hon. member is doing the same.

Mr. Pilkey: Well, it is the only way that we can reply to the general statement that he made against the trade union movement and in my opinion against the workers in this province.

Now, let me say to the hon. member, again he was reading a lot of quotes from different documents, just let me read a few here. Let us read the one by Ron Haggart, let us just put this one into the record for a moment. It is headed: "Do the Tories Really Want this Tory Bill?" Now, this is the one where the member was talking about the contributions to the New Democratic Party. Let us find out what Mr. Haggart had to say

because this gets into the area of human individual rights.

The Friendly Locksmith, who is a Tory member of the Legislature from Eglinton, has been mounting a personal crusade to prohibit trade unions from making contributions to a political party. It is no secret which political party he is talking about, of course, it is the New Democratic Party which by no great miracle of deduction turns out to be one of the political parties Mr. Reilly does not support.

He has really become quite worked up about it. He presented a private member's bill in the Legislature last month, and has been making speeches on the service club circuit about this clear violation of the individual's basic freedom.

I am glad to record Mr. Reilly's conversion to civil liberties and individual rights. Mr. Reilley's concern was not so great as a couple of years ago when he served among the Tory majority on the legislative select committee on consumer credit.

That committee, one of the best that the Tories have mounted at Queen's Park in recent years, came up with a unanimous recommendation that individuals who borrow money from finance companies should be told the cost of their loan, both in dollars and in annual percentage rates.

Well, not quite unanimous. The only member of the committee who did not believe that consumers should be told the cost of their loans as a percentage was Leonard Reilly—

Interjection by hon. members.

Mr. Pilkey: To continue:

The legislative committee made scores of useful recommendations about outlying wage assignments providing a cooling-off period on door-to-door sales and so on. The only member who dissented against it was Leonard Reilly, who believed a finance company should not be required to disclose the easy payment plan as really 18, 25 or 35 per cent per year.

I think we have got to get this in its proper perspective. If Mr. Reilly really thought about the individual basic freedom he should have supported that resolution at that time; but obviously he did not think it to be worthwhile.

Mr. Reilly: Mr. Speaker, would the hon. member want an explanation in connection with it?

Interjections by hon. members.

Mr. Reilly: Well, I was just going to explain that the hon. member for Oshawa, of course, did not have the opportunity to attend the committee meetings, nor did Ron Haggart; and so Ron Haggart, in his usual way, told one side of the story.

I thought that what the hon. member for Oshawa might like to know is this, that what I indicated to the committee—and the member for Riverdale (Mr. J. Renwick) was a member of the committee, if I remember rightly, the hon. member for London South (Mr. White) was there, several of the members of the House are on the committee. I indicated to them that unless we had everybody revealing the true rate of interest, including federal banks, that we should not compel just one segment of the economy to reveal the true rate of interest.

This is what I explained to the committee, and I said that if we had control of the banks, and the banks were asked under those circumstances to reveal the true rate of interest then all should do it. But we would be taking a step by going ahead at that time and asking that the true cost be shown in dollars. At the time I argued that all of us then should have the right to know what the percentage is if the banks were controlled as well as other agencies.

In other words, I—

Mr. Speaker: Order! Order!

Mr. Reilly: I am sure that the hon. member for Oshawa wants to know the other side of the picture, not just take one side. I am sure that should somebody read his speech they would want to read my earlier speech to make sure of getting both sides of the picture.

Mr. Pilkey: Mr. Speaker, in reply to the member for Eglinton, I am going to let the record speak for itself. In any event, he did make a comment this afternoon, and he was complaining about the directives of international unions to local unions. He also talked about Samuel Gomphers, and I think he raised something about the AF of L. I do not recall, but I think he did, and pointed out that historically the AF of L in the United States frowned upon its affiliates taking any political action.

I submit that the member for Eglinton should not think Canadian unions should be following those directives. I mean if they are frowning upon us taking political action

in Canada, surely he would not support the AF of L, the American position in this regard. Surely he would say that the Canadian union has the freedom to make its own decisions.

Nevertheless, he did say that there was much direction from United States this afternoon—and if I could just quote something he said. He asked if the member for Oshawa was prepared to tell his UAW local to quit taking instructions and directions from the United States UAW. Well, you see, through you, Mr. Speaker, to the hon. member, this is an assumption—this is an assumption by the member for Eglinton; no facts.

Now a minute ago he was a little critical of me because I was assuming what his motives were in terms of that resolution. Now let me say he has no tangible proof that the UAW or any other union takes a directive from the United States.

Hon. H. L. Rowntree (Minister of Finance and Commercial Affairs): Have they got any funds from over the border?

Mr. Pilkey: Any funds from over the border? I will not talk about that just at the moment. I will not talk about the funds over the border, because that seems to get into the craw of a lot of people.

Interjections by hon. members.

Mr. Reilly: Well, I rise on a question of accuracy. I know that the hon. member has just said that there were no facts. I think the hon. member is perhaps forgetting that I did indicate that Crispo, in his book, told about international unions, and I gave him a specific page and chapter. If he wants to stay with the facts, that is all.

Mr. Pilkey: The facts are that the international unions assist the Canadian unions that are affiliated—they assist. Now do not tell me that the UAW international union is going to come into the General Motors negotiation and tell the Canadian negotiating team what they are going to do. If the hon. member thinks that is a fact he should come down sometime—and I will invite him in so he can listen to them tell us.

Let me tell you it is never going to happen, because if they did start to direct then they would be out the door. They would be out the door if they started to direct. They are there as advisors.

Now they have got to get their point of view across. In addition to that, the international union provides professional people who know about pensions, insurance and other areas. The local unions do not have these kind of professionals. They bring them in, and we need them. We need them there in negotiations because we are confronted across the bargaining table with the giant corporations with their battery of professionals in all these areas—

An hon. member: From the United States.

Mr. Pilkey: That is right—from the United States. Absolutely right. No Canadians. No Canadians, as far as the corporations are concerned.

Now let me say this to the hon. member: The corporations are getting their directives from the United States. And as the American negotiators move in for the corporation, I would like to hear one of the Canadians say anything. I would just like to hear them say anything. They do the negotiating, and the boys from Canada keep quiet on their side of the table. They make no contribution.

This does not happen on the union side. The Canadian workers can make their contributions any time they want, assisted by the American negotiators. They are welcomed into the negotiations because they have a broad knowledge of collective bargaining. In addition to that, they assist us on a professional basis. I want to lay that myth aside once and for all—that the United States unions are directing the Canadian affiliates. Because they are not. They make their own determination, except in one area.

I want to point that one out, because I would hope that the member for Eglinton would support this position. I asked him a couple of times this afternoon and he did not reply. He said that at the local union level they should be able to make the determination to strike a company without any directive from the international union. I think that the right and the authorization to strike should be funnelled through a central body, and they ought to make the determination. You cannot just allow any group which wants to go on strike to go, just like that. They have got to have some authority and there has got to be some justification, for the strike. Unless they can get it passed by the international executive boards of the union, then they cannot go on strike. That is where they get the authorization, and I think that this is a sound position to take.

You just cannot have them going out on strike whenever they want. There has to be some authority, because this just would be a chaotic situation. It is the same as the

member pointed out this afternoon that the worker should have a right or the freedom of choice in determining which union he wants to represent him. This is what he said. Now can you imagine everyone in a membership of 12,000 making that determination? We would have a pocket of steelworkers and a pocket of auto workers and a group over here in the carpenters union. This is utterly ridiculous. It just would not work, and what you would do in that kind of a situation—you would stop the wheels of industry in this whole province.

Mr. Reilly: When the hon. member is talking about international control would he explain this to me—"More NDP Support, Canada Programme, Drafted by UAW"? This is by the Windsor *Star's* labour writer. Would you be good enough to explain to me, then, from the Windsor *Star*:

> In Atlantic City a comprehensive programme for Canada, dealing with issues ranging from Canada's foreign policies and support for the New Democratic Party to conditions for working mothers, was unanimously adopted by the 2,900 united auto workers attending the union's 21st constitutional convention here.

Would the hon. member explain—if it has nothing to do with it—how they came to be discussing it and setting up a programme here?

Mr. Pilkey: Sure I will explain it, because I was there. I can explain from first-hand knowledge what happens in that kind of situation. Obviously, at the Atlantic City international convention they adopt a Canadian programme. But let me tell the member who adopts it. The Canadians adopt it, and the Canadian caucus met in a separate room, and went over a Canadian programme. There was not an American in the room. Not one.

Mr. Nixon: Why do it in the United States then? Why not do it up here somewhere?

Mr. Pilkey: Because this is the time when they adopt an overall programme for the UAW. There is an overall programme being talked over too. Now obviously the Canadian section of the UAW is somewhat different from the American, so that what we do is take the Canadian section out of the convention for a period of time, and go over the Canadian programme. There is no use going over the Canadian programme with all the American delegates, and I am not too sure they have that much interest. Obviously they are interested, but not to the extent that the Canadians are.

Mr. Nixon: Do they not have a national convention?

Mr. Pilkey: No, we do not have a national convention. The UAW has a quarterly meeting of all of their affiliates and delegates, but this is not a convention.

Mr. Reilly: How many Canadian delegates would be there?

Mr. Pilkey: Approximately 150 to 200.

Mr. Reilly: One hundred and fifty is only five per cent of 2,900.

Mr. Pilkey: What was that again?

Mr. Reilly: Out of the 2,900 delegates present from the United States, about five per cent or 145 Canadian members were present and this was voted by 2,900 members!

Mr. Pilkey: It was not voted by 2,900 members. The 2,900 members do not—

Mr. Reilly: It says: "was unanimously adopted by the 2,900 members," according to the official report.

Interjections by hon. members.

Mr. Pilkey: Yes, that is right, and that is the point I made earlier, that I am sure that the member for Eglinton does not understand how the union works. I want to say to him that the American delegates did not discuss the Canadian programme. As a matter of fact, I had the hand-book in my hand as late as tonight that was adopted at the Canadian caucus. It was not discussed clause by clause as it was in the Canadian caucus, and they are the ones that adopted the programme, so that in no way are the Americans trying to determine what the Canadian programme is going to be.

Hon. T. L. Wells (Minister without Portfolio): I wonder if he could explain to me then why part of the negotiations became the UAW American, and General Motors wage parity for Canadian workers was one of the issues that was debated in the contract between UAW American and management, since the management is in the United States.

Mr. Pilkey: All right let me explain.

In the area of General Motors, the negotiations on wage parity was not discussed in the United States. Chrysler was, but GM was not

discussed in the United Staes and neither were the Ford negotiations. In Chrysler it was discussed on the other side of the river, and then finalized in Canada.

Now, let me say this. The unions of Canada and the international unions, are working together. Had we been a separate union, we could not have broken through against General Motors, Ford, or Chrysler on the question of wage parity. It could only have been done with the assistance of the international union. It was the only way.

What would have happened was that we would have been fighting an American interest strictly with Canadians. I hope that one day we will be able to have a solely Canadian union here in Canada. But as long as we are negotiating with United States interests, and the full force of the United States interest is being implemented in Canada, then we have to have United States international union support. It is the only way that we could go to the bargaining table with any equality.

Mr. E. Sargent (Grey-Bruce): On a point of order. In view of the fact that my name was mentioned as being part of the hon. member for Eglinton's speech in regard to my question yesterday, the member has stated that there is no control from the United States in Canada. I disagree highly with him. I know that this is not true, and I would like him to—

Mr. I. Deans (Wentworth): How does the hon. member know?

Mr. Sargent: I can prove it.

The point of order is that he has made this statement, and he just admitted now that there were international joint agreements. I would like him to tell the House how much money goes from Canada each year to the United States for union purposes.

Mr. Pilkey: I am glad the hon. member brought that up too, because the remark was made earlier tonight, and I want to talk about that. I want to—

Mr. Stokes: If the member wants to know how much money goes south I can tell him—

Mr. Pilkey: I am going to say more about this question of constitutional democracy. It was raised today. What does it really mean? Does it mean equal justice for everyone? I think that it should. It should mean equal justice for everyone, but what is happening in this province? It is a *laissez faire* attitude, or the government says, "Oh, I am all right Jack."

Yet we have the poor and the weak and those who are neglected, and some of them are even driven to the wall. Yet it is pretty nice to get up and talk about this question of constitutional democracy.

Democracy for who? This is the question. With the crises that are facing the people of this province in terms of housing, is that what we are talking about in terms of democracy? These slogans are all right, but we have got to get down and do something about the questions and issues that the facing us in this province.

I want to also get back to this right to work and I have got another article here, in which the member for Eglinton is quoted, and he claimed that the right-to-work exponents had missed the whole point.

No, this was not the member for Eglinton this was Mr. Archer replying as the president of the Ontario federation of labour.

He said that the member for Eglinton has missed the whole point. He said if we are going to have the right to work—and everyone has got the right, the choice—there is no compulsory unionism. If they don't want to join then they do not have to. If they do not want to pay dues they do not have to.

You see, you have got to turn the coin over. When you do that, along with those rights, goes a lot of other things. We have got to give the rest of the people who want to participate equal protection so that there cannot be just one side of the law.

In other words, do the other individuals have rights? They wouldn't have to go to their place of employment if they didn't want to—should that not be a right? And when they want to leave they just walk out—should that not be a right? Or we would just return to the law of the jungle, as the hon. member for Hamilton East (Mr. Gisborn) described it in his remarks.

They twisted that word around a bit—returning to the jungle. This is what the hon. member for Eglinton would have, he would have us return to the laws of the jungle, because this was happening back in the early days. There were walkouts in the plant. This department would go down, that one would go down, they just walked out of the plant. So what happened?

I will tell you what happened. They formed laws, and they called it The Labour Relations Act. Within the Act there are certain things that the corporations can do and

cannot do, and there are certain things that the unions can do and they cannot do, and so they put this on a kind of an orderly basis.

Hon. A. Grossman (Minister of Correctional Services): Good government, eh?

Mr. Pilkey: Well, good government or not, this is what they did. But the member for Eglinton wants to destroy all that so that we put this on a disorderly basis again and we go back to where we were 30 years ago and we have this kind of a chaotic situation that prevailed at that time. This is really what the member is talking about.

He got on the question today about wages, and he said that the wages and the fringe benefits—I do not know if he used that term —but he said that they are inflationary, the unions are becoming too powerful and they are creating inflation in the province of Ontario.

Mr. Reilly: The member might be interested in what was said. I do not think the hon. member wants to misquote me, and I do not think the hon. members in the House—including the hon. member for Sudbury East who puts in an interjection "Oh-oh,"—I do not think he wants to misquote me.

I said to him at the time and to this House that excessive increases—and I was referring to 30 per cent increase. I know the hon. member wants to be factual.

Mr. Pilkey: I recall that the member talked about the question of inflation today. Now in what context, and I suspect that is what he was talking about. In that context, how else would we get inflation if he did not blame it on wages? He went back to talk about the seaway this afternoon, so do not say he did not raise the question of inflation, because he did. But you see, this is really an old cry of the management, they continually cry about inflation to deny the workers their equity, while the heads of the corporations in this province and in this country and the United States do not really worry about inflation. You see, when the president of General Motors Corporation gets $250,000—a quarter of a million dollars—in wages and a half a million in stock, that is not inflationary!

Or when one of the heads of corporations here in the province of Ontario earns $75,000, $100,000 or $200,000, that is not inflationary. But let the worker go after 10, 15 or 25 cents an hour, it becomes inflationary all of a sudden. This is the kind of double standard that exists and the hon. member for Eglinton is espousing the line that management have been screaming across this province since the 1950's.

I want to say that in this whole area of increased benefits, in terms of wages and fringe benefits and working conditions, we attempt to fight inflation just as much as anyone else. We are opposed to inflation. As a matter of fact many of our wage increases are supported on the basis of the corporation's ability to pay within the productivity level, and the member for Eglinton talked about that today. He talked about the question of productivity, and we proved without a shadow of a doubt that the Canadian auto industry could pay wage parity because of the productivity levels here in the province of Ontario and this was supported by Ron Todgam, the president of the Chrysler Corporation.

Now I just want to illustrate for the hon. member for Eglinton's information what some people think about the unions. Let me read you a letter:

> I want to thank you and the union for all the wonderful things you do for me. I am happy that you gave me a higher pay and I live in a better house and my children went to a better school, and I thank you for all of these things. But most important of all, brother Reuther, for 18 years I worked in Kelsey-Hayes foundry before the union and for 18 years they called me "dumb polack" and when the union came along they called me brother, and that is important.

That is more important than all of the wage gains and every cent that we have gained in terms of fringe benefits and at last we put some dignity in the plants and that they call each other brother. It is important that we make that kind of progress.

Let me say to the hon. member for Eglinton, if your resolution on compulsory unionism, and all of those things that you enunciate today, if that comes into being as part of legislation in this province, then you will have destroyed everything that has been fought for, in terms of wages, fringe benefits and the right for one another to be called brother. You will have destroyed that very thing, if your legislation is ever implemented here in the province of Ontario.

Mr. Reilly: Would the hon. member like to answer another question for me?

Mr. Pilkey: Now I want to—

Mr. Reilly: Would the hon. member like to answer another question for me, Mr. Speaker?

An hon. member: He is ignoring you.

Mr. Reilly: Well I wondered if it was brotherhood on their part when a man like Walter Speckers, at 42 years of age, was fired because of Christian reasons? Is this brotherhood?

Mr. Stokes: Let him go to another plant.

Mr. Pilkey: Let me say this. You see the labour movement was really built from a very humble beginning, and one of the things that they were able to negotiate, along with these wages and fringe benefits, was the question of union security.

Really, if the trade union movement is going to make progress, then they have got to do it within the framework of union security because it is part of the union and you see there again, you would destroy that by saying that the individual has a right. He does not have to join, he does not have to pay his way. He can be a beneficiary of what the union does, but he does not have to pay his way. He does not have to participate but let somebody else do the job for him.

Now maybe there are things that do not sit right with you. Surely, the question of the progress they make economically; surely, the question of one person calling the other brother; surely, those things can transcend your problem. Surely they can transcend that. As we make that kind of progress, some people are going to be hurt in this process and as they are hurt by the corporations. But you just cannot take every one of those things into consideration. If you are going to—

Mr. Reilly: Does the member approve of Canadian workers being fired because they do not join a union?

Mr. Pilkey: That is right. It is the only way we can operate. It is, I approve.

Mr. Stokes: Certainly we approve of it.

Mr. Reilly: The members approve of depriving Canadian men and women of the right to work.

Mr. Pilkey: I approve of union security and the agreement is a very lengthy thing and the corporations recognize it. Though they have not accepted the trade union movement yet, they have recognized them and it does serve a function within the great industrial complex.

Mr. Sargent: What utter nonsense is this?

Mr. Pilkey: Well, they do. They serve a function within the great industrial complex that I would not want management to take on. I do not think they would want to take it on in its entirety.

Now there was another question that was raised by some of the members. What about the—

Mr. Sargent: How many brothers has the member got then?

Mr. Pilkey: I do not know what the member is talking about.

Mr. Sargent: I am talking about the fear complex.

Mr. Stokes: Just ignore him.

Mr. Pilkey: There is none. I want to talk in a few minutes about that fear complex, but I want to talk first of all about the finances.

I want to talk about the finances because there is a misconception here as the union dues come into the union coffers and in particular, international unions, somebody has got a big money bag there, with a black coat and one of those shields over their eyes, and they are slipping across the border with it.

Let me tell you that is not exactly how it happens. Let me tell you what is happening inside the UAW as an illustration. Let me tell you what is happening inside—and these statements are for the perusal of every member of our union: A complete breakdown of the finances in every way. In every way the finances are checked by a certified auditor and checked by union auditors as well. But United States government securities, held by the international union as of February 29, 1968, was $28 million. Canadian government securities were $10 million. Now is that money running across the river?

In other words, of government securities, 25 per cent of their money that is invested in government securities is invested in Canada, and I will tell you where that is invested in a moment too. We have got less than 10 per cent of the membership, and 25 per cent of the funds are invested in Canada. Now let me go a little further. The total assets of the union is $94 million.

In other words, we have got less than 10 per cent of the membership, but more than 10 per cent of its assets are invested in Canada, and this is where the Canadian union dues are. You know everybody thought they were sitting over there.

Now, let me tell you where some of that money is, because I happen to know where some of it is. I know that two years ago, as an illustration, UAW international union

bought $400,000 of debentures of the city of Oshawa. There are many municipalities in this province of Ontario that the UAW have debentures for. Do the members know why they are investing their money there? Because they think it should be invested in terms of social progress; on sidewalks, on sewers, on roads and this is where their money should be.

Mr. Reilly: Mr. Speaker—

Mr. Pilkey: They are not concerned about putting it into the money market where they could get a higher percentage rate. They put it into the things that make for social progress and that is where their money is.

Mr. Reilly: I wonder if the hon. member for Oshawa—

Mr. Pilkey: This is a fact.

Mr. Reilly: Mr. Speaker, I wonder—

Mr. Pilkey: It is in municipal bonds. Are they getting the same interest they could get on some mortgages?

Mr. Reilly: Mr. Speaker, I wonder if the hon. member for Oshawa could tell me if he thinks they should invest their money in homes for people instead of expensive gambling joints? For instance, Caesar's Place in Las Vegas, and motels in Dallas, Texas, and so on. Is this where some of the money is?

Mr. Pilkey: I do not know what the member is talking about and I think he should be more specific. But if he is talking about—

Mr. Reilly: Let us be specific. Who owns Caesar's Place in Las Vegas?

Mr. Pilkey: I asked, why does the member not be specific? I do not even know what he is talking about. Let me say this. The UAW has no money in Las Vegas. The united steelworkers have no money in Las Vegas. I am positive the united packing houses have none. So, I do not know who the member is talking about. If there is one union that has an investment, if he is talking about the teamsters union, he usually gets back to them. If there is one union that is making those kind of investments do not tar them all with the same brush. Do not put it on them all. I am telling him what the UAW are doing with their money, because many of them—

Mr. Sargent: The hon. member is in a rut.

Mr. Pilkey: I am in no rut.

Interjections by hon. members.

Mr. Speaker: Order!

Mr. Pilkey: You know the thing that bothers the member for Grey-Bruce is that we are exploding some of these myths that have been going around in his head and he does not like it. He does not like it because he is learning something here, you see, and getting a little of the truth. He is getting a little of the truth and he does not like that.

He should have been here this afternoon and heard the member for Eglinton and then he could have decided, really what to accept. Now if he fell on that side then—

Mr. Sargent: The hon. member has no corner on unions.

Mr. Pilkey: I suspect that he is where he would fall anyways, and I know what he is looking for.

Mr. Speaker: Order!

Mr. Pilkey: Well, let me say in addition to the moneys being spent for items of social progress by the international union—

Mr. A. B. R. Lawrence (Carleton East): Mr. Speaker, will the hon. member permit—

Mr. Pilkey: Sure, go ahead.

Mr. A. B. R. Lawrence: Thanks very much. I have heard a lot of the debate on both sides and I must say that most of it is rehashed stuff that I have heard before.

Mr. J. Renwick (Riverdale): It has not been said in this Legislature for many years.

Mr. A. B. R. Lawrence: Correct. But there is one point running through it that I would like to be clear on. That is, that fundamentally is the—

Mr. Stokes: The hon. member asked for a question. Is he going to get up and make a speech?

Mr. A. B. R. Lawrence: Yes, this is the question. Is the member for Eglinton desirous of abolishing the Rand formula, and is the member for Oshawa desirous of supporting the Rand formula? Could I ask them each to answer yes or not.

Mr. Pilkey: I cannot answer for the member for Eglinton, but this afternoon he said to abolish it. I support the Rand formula and I go beyond the Rand formula.

Mr. A. B. R. Lawrence: Well, I wonder if the hon. member for Eglinton would let me know whether he supports the Rand formula or not?

Mr. Reilly: I am sorry the hon. member was not here. I am not going to infringe on the member speaking here now but—

Interjections by hon. members.

Mr. Reilly: I think it is quite obvious where I stand in connection with it and I made it very clear. I am surprised that the member for Carleton East did not know. I made it very clear that as far as the Rand formula is concerned and a closed shop, I am definitely opposed.

Mr. A. B. R. Lawrence: That is a good answer.

Mr. Pilkey: Let me say this, that in addition to the moneys that I said was left in Canada, I can tell members what the local unions do. All the union dues that the member for Eglinton is talking about are not directed to the New Democratic Party, and it is not flushed across to the United States—

Mr. Sargent: The member is half an hour over his time now.

Mr. Pilkey: The union makes contributions to every hospital programme that goes on in this province, or nearly. They make a contribution to the hospital programmes. No dollar a week. The steelworkers and the UAW because they saw a social need, have put medical centres in the Soo and one in St. Catharines because of a social need for their members. They built a medical centre. We make contributions to the Red Feather. We support recreation centres and we support scholarships. There are all kinds of scholarships across this province supported by unions to further education.

We promote minor sports and adult sports, and in all of these areas the trade union movement is playing an active role. And they will continue to play an active role as long as they are a viable unit on the same standards that they have today, and not to be destroyed on the proposed resolutions by the member for Eglinton.

Now, I want to point out some of the democracies that prevail inside the trade union movement and particularly the UAW that I am more familiar with.

To give the members of my union the ultimate in terms of appeal and protection within the democratic framework of our union, we brought together interested outstanding citizens in Canada and the United States and we formed what is known as a review board. If any member feels that he has been treated unjustly, then he can appeal to this independent body and have his case reviewed.

We set this up because, obviously, within a union and with the complexities that exist, there is going to be some mistakes. It is not a perfect organization anymore than the corporations are perfect organizations. We make mistakes, and we are not infallible in any way. We make mistakes. But our motives are correct. Our fight is for social progress, and if somebody gets hurt in that struggle, then I say that they have a place to appeal to.

I want to also say that we do a fairly good education job in telling the members of our union what their rights are. There is all kinds of literature that is available and distributed to the member, urging him to participate at the local union level. There is no threat of bodily harm if you disagree with a policy.

I was a rank-and-file member in my union for 15 years and nobody stopped me and nobody threatened me if I got up on the floor of the membership meeting and disagreed with the leadership. I could disagree whenever I wanted to disagree, with policy of a union. I think within the framework of the disagreements that take place, this is how we make progress.

We put out, as I say, all kinds of literature on how they elect their local union grievance committee. They are elected, they are not appointed. They elect their bargaining committee; not appointed, elected by the rank and file and they have to give account of their stewardship every two years.

They elect their union officers; they elect their convention delegates by democratic procedure; they run their own local union; they get regular financial reports every month; the local union gets its financial reports through the secretary-treasurer. And under the UAW constitution he has a right to go in and look at the books, he can go in and open the books if he wants to; if he does not believe what is given out, he can go into the office and ask to see the books and have them opened; that is his constitutional right inside our union.

An hon. member: You cannot do that in a corporation.

Mr. Pilkey: Oh I guess you could not—a shareholder could not do it. In our union you can. And it is the local union who decides the positions and programmes of what is going to happen. And then he has a right to appeal. I pointed this out. He has a right to appeal a decision; and it goes on to say:

> You may not always agree with a decision made on your grievance in the shop or in the union, and you have a right to appeal these decisions. Your appeal must follow the rules laid down in article 32 of the UAW constitution, which provides the ultimate in democratic procedure and membership protection.

And it does. It gives you that protection. You have the right to appeal. And it explains how you get the protection. Then it goes on to say the final step are two alternatives unique in the labour movement—you can appeal to the constitutional convention delegate or you can appeal to the UAW public review board comprised of outstanding civic leaders. And the members elect their own director, they have a decision in the bargaining goal, and all of these things are the democratic procedures of our union.

Now I want to also point out that the contributions that are made to the New Democratic Party—unfortunately I have not got time to peruse this document that I happened to get today on lodge 717 IAM, but I am going to have a look at it. I got the other side of the story here, but I have not had a chance to examine it, but I just want to tell the member for Eglinton that I have it.

The New Democratic Party does get moneys from the trade unions. There is no secret about that. And there is no secret about how much. I pointed this out before. We have put out a document listing the contributions to the New Democratic Party. It is on the public record who is making the contributions. There is nothing hidden. Now, I would wish that the two old-line parties would put out the same kind of document. Let us find out where they are getting their money.

Some hon. members: Hear, hear!

Mr. Pilkey: Let us find out where they are getting their resources and whether—

Mr. Reilly: I will be glad to answer that for the—

Mr. Pilkey: Well, not the hon. member as an individual—his whole organization. Where are they getting their resources?

Mr. Reilly: I will be glad to answer that for the hon. member if he wants me to.

Mr. Pilkey: Why do they not put it out in printed form and let the people of this province know where their resources come from? As a matter of fact, why do they not adopt the resolution of the New Democratic Party and legislate in that area, and everybody will have to put it out? I mean, we have called for legislation in this area, but I do not recall the Conservative or the Liberal Party supporting that type of legislation. We have nothing to fear in this area; we are prepared to reveal where our money comes from.

Mr. Sargent: It is going to come.

Mr. Pilkey: So is Christmas, but it is a little way off.

Mr. Sargent: What will the hon. member have to talk about then?

Mr. Speaker: Order, order!

Mr. Pilkey: I think this is the answer that is needed as far as political contributions are concerned. Let us have them all revealed. As a matter of fact, if I could get back to Mr. Ron Haggart's column, I would just like to read the last paragraph and see what he has to say. He said:

> Leonard Reilly's bill should be passed in the Ontario Legislature. Statistics then would be available to show how many nickels a month went to the Liberals and Conservatives to match the figures now available from the NDP. The embarassment to the other two parties would be acute. Mr. Reilly's own party would be the last to take advantage of the freedom he claims to seek.

And I think that I agree with that. I think they would be. I suspect there would not be any legislation. If it does go through, there is going to be some embarrassment to the Conservative Party on the number of nickels they get from the trade union movement versus what the New Democratic Party gets. I do not worry too much about that type of legislation because I do not think that they are going to pass it anyway. I would hope that, in some small way, we destroyed the myth that the trade union movement is controlled in the United States with complete directive. This is not a fact. I hope we have exploded the myth that all the money is channelled through the United States and that is where the Canadian funds are. That is not true either.

Hon. A. F. Lawrence (Minister of Mines): All the pension funds are.

Mr. Pilkey: Pension funds are controlled in most of the industrial unions by the corporations and not by the trade union movement. Very little has been controlled by them. Pension funds are in Canada as well.

Hon. A. F. Lawrence: That is nonsense!

Mr. Stokes: It is not nonsense!

Mr. Pilkey: That is true. That is a fact. As a matter of fact, if the member really wanted to know; it would be very interesting to know where Canadian pension funds are in Canada. I suspect that General Motors have theirs with the Royal Trust Company in Canada. I hope that they did not send it to the United States. But, nevertheless, that is money controlled by the corporation. It is on a funded basis. We would not know exactly where it is. It could be in the United States, but if it is there, then the corporations have placed it there, because they are controlling the funds. The only guarantee we have is that we say the plans must be funded properly—so that there is a guarantee that the resources are there.

Now I hope that in a small way we have exploded all those myths, and I want to conclude by saying that if we pass—

Interjection by an hon. member.

Mr. Speaker: Unless the member is rising on a point of order—the member for Oshawa has the floor—the member for Grey-Bruce is asking whether or not a question is permitted.

Mr. Pilkey: If we pass right-to-work laws in this province the same as they have in the three states that I talked about, Alabama, Florida and Utah, the only three that are left, then I think that in the interest of the workers of this province the government would be destroying, as I said earlier, the very foundation that was built brick by brick, and with a lot of sweat, and struggle, and in some cases with bodily harm. In some cases men were killed in the fight that took place for economic and social justice, and I would urge upon this government to consider very, very carefully any action that they may take in this area.

I think that the trade union movement has been good for Ontario in terms of the living standards that they have provided. They have done this with some disruption in the economy at times, but we seem to have the ability to bounce back from those critical stages, and we go forward again. This is what it is all about, and I think we can continue to make progress. But the trade union movement has to be a viable, strong, unified movement. It just has to be if it is going to make this kind of progress and the workers are going to get their equity from the giant corporations of this province.

Hon. A. F. Lawrence: That is hardly an unprejudiced voice.

Mr. Pilkey: Well it may be hardly an unprejudiced voice, but nevertheless I think that I have had just a little more experience.

Mr. J. Renwick: And a lot of facts, too.

Mr. Pilkey: I do not know if you would say that I had a lot of vested interest, but I have got a vested interest in brotherhood.

Hon. A. F. Lawrence: Brotherhood?

Mr. Pilkey: Yes. That is right and I have got a vested interest.

Interjections by hon. members.

Mr. Pilkey: Well, I do not know.

Mr. Speaker: Order please! There should be no discussion across the floor of the House. Any member wishing to speak will address the chair. Interjections are out of order unless the person wishing to speak will get permission from the chair.

Mr. Sargent: Mr. Speaker, on a point of order.

Mr. Speaker: Point of order.

Mr. Sargent: Mr. Speaker, on a point of order, I think the hon. member has made a good speech, but he has talked about a model union all night, and we have other unions. I admire the union he has talked about, they are a great union.

Mr. Speaker: Order, order! The member does not have a point of order.

Hon. Mr. Grossman: The point of order is that the hon. member is suggesting that we are not all capable of brotherhood.

Mr. Speaker: The member for Oshawa.

Mr. Pilkey: I said earlier that—

Hon. A. F. Lawrence: It sounds like female discrimination.

Mr. Pilkey: Well I do not know anything about female discrimination. The trade union movement has put some dignity into the plants, and we have provided dignity for the older workers in this province so that they can retire and enjoy themselves in the declining years of their lives. This progress has been made more so since we have had union security clauses in the agreements. It may have created some hardship on a few people who, in all good conscience, do not

think that they want to belong to the union, but nevertheless, these are the rules and this is how we have made the progress that we have made in the province of Ontario. And a lot of this progress has been made in spite of governments of the day.

Interjections by hon. members.

Mr. Pilkey: That may be so, but a lot of it has been made in spite of governments of the day. As a matter of fact, if we go back to the early beginning, they were opposed to having the CIO in Canada at all or in the province of Ontario. So that—

Mr. J. Renwick: They have been the government—

Mr. Pilkey: So we have put a considerable democracy inside of the trade union movement. The members have their rights and they have their constitutions that they abide by, but if we get these right-to-work laws, and the elimination of union security, then there is just going to be a black day for many workers in this province.

I would hope that the remarks that were made today about brutality; about injustice; the rackets; the undemocratic procedures; are not accepted by the majority of the government members. I would hope not because, as I said, I think that would be a black day in the province of Ontario, for the labour movement.

With the democratic procedures we have at the government level and in the trade union movement, as a strong viable group, we are going to make further progress in this Ontario of ours that we can all be proud of.

Mr. A. W. Downer (Dufferin-Simcoe): Mr. Speaker, I did not realize there was a storm in the air. I thought it was just the heat. Here we are, I had a long speech prepared, although not quite as long as the hon. member for Oshawa (Mr. Pilkey).

I thought I might reminisce for a little while, because I am here the longest of any member. I sat at the feet of Mitchell Hepburn, George Drew, Gordon Conant, Harry Nixon and Tom Kennedy—then, of course, hon. members know the rest. I thought, as some of them were speaking, of a story that was told by, perhaps, the most brilliant man I suppose who graced this assembly—that is, he had the most brilliant mind at any rate—the person of A. MacLeod, former member for Bellwoods. He told this story in the House—it happened to be when Colonel Kennedy was taking over the Premiership of the province. He said—now this change reminds me of something—he said we had Mr. Drew who could be bitter and vehement, and he said he reminds me of an old stage play, "Arsenic and Old Lace". Now, he said, we have had arsenic, now we have old lace. Well, we have had arsenic this evening; and we have old lace right now.

Hon. members know this is the Budget debate. I did not intend to be on the Budget debate at all. I was going to speak on Monday evening on the report of the liquor licence board and the liquor control board of Ontario, but I got euchred. And, of course, I moved the adjournment of the House, and having had a speech all prepared for that occasion and being partially Scottish, I did not want to waste it. So I said I will tie it in with the Budget, and make a Budget speech, and so we are going to tie this speech on or in with the $5 million given to the alcoholism and drug addiction foundation.

My contribution to this debate will be in no way political and certainly will not be partisan, and I do not think it will be controversial. I am not one who thinks that all the good ideas emanate from this side of the House. The other night I heard many, many excellent suggestions from members of all parties in the debate.

I would like to say that I have learned a great deal. I have received many good suggestions from the leader of the Opposition (Mr. Nixon), member for Parkdale (Mr. Trotter), Downsview (Mr. Singer), member for Riverdale (Mr. J. Renwick), and Yorkview (Mr. Young), and York South (Mr. MacDonald), and I could go on—Sudbury (Mr. Sopha), and also from my old friend who is my closest neighbour, member for Grey-Bruce (Mr. Sargent).

I agree with the hon. leader of the Opposition when he advocates a more definite educational programme as far as alcoholism is concerned. But, I am sure he is aware that the alcoholism and drug addiction foundation has a very excellent up-to-date programme along that line. The foundation not only goes into the schools, but furnishes the teaching profession with a complete line of booklets suitable for teenagers, and the member for Windsor-Walkerville (Mr. B. Newman) will bear that out. They may not use them always, but they are there.

It also produces a radio programme, a television programme, supplies literature and speakers for meetings of service clubs, fraternal organizations, church groups and home

and school organizations. In fact, our educational booklets and programme is being studied and imitated by other jurisdictions all over this continent and beyond it as well.

However, this is a problem, so complex and so serious, that every member should be willing to share his views and offer his suggestions and perhaps possible solutions. We are willing to experiment and try any reasonable suggestion, and I would ask those on the other side of the House:

What have we done that we should not have done? What have we left undone, that we should have done in this field?

There was a hint, the other night, that the chairman of the LLBO and the LCBO were interested only in selling the product, not in controlling the sale. Anyone who knows his honour Judge Robb, or has had any dealings with Mr. Shepherd, know all too well that both these estimable gentlemen have given freely of their time and their great talents to the betterment of conditions in the industry, and, in particular, to this problem of alcoholism. No one could be more co-operative and no one is more interested in moderation and in trying to help the unfortunate men and women who are alcoholics than these two men.

We come to the hon. Prime Minister (Mr. Robarts) who has indicated, time and time again, his concern about this problem. Not just as a problem of law-enforcement, he is concerned about it as a social problem, a moral problem, as a welfare problem and a health problem and he has said time after time, that we must come to grips with it. The very fact that this government has placed $5.5 million in the estimates for the Alcoholism and Drug Addiction Foundation's work is concrete evidence of his concern.

Now, when the foundation came before the committee on government commissions, they were asked this question: "Have you sufficient money? Does the government give you sufficient money to carry out your programmes." And if you will remember, they said: "We have been given sufficient. We may need more next year but for the time being we have been given sufficient."

I am not going to debate the where or how of the sale of liquor but I want to talk about the results of over-indulgence. In spite of criticism, and much criticism has been offered, great and significant developments have been made in this field since 1949. As members know, Canada's first official programme got underway in 1949, with the passing of Bill 173 in this honourable House, establishing the alcoholism research foundation—since re-named the alcoholism and drug addiction foundation.

Over-indulgence in alcohol has been a problem in our world for 5,000 years, ever since the days of ancient Babylon. It was a problem in the pioneer days of Ontario and it is a constant wonder to me that we have accomplished so much in 19 short years.

The whole picture has changed since 1949. In 1949 we looked upon it as a moral problem and the cure was punishment: Send the offender to the common jail. No one thought of it as health problem. Now we recognize it for what it is, a disease, and we have come to grips with it. And again I repeat, I am surprised, not at the little we have accomplished, but at what has been accomplished or achieved in such a short time. The stigma is gone, just as it has gone as far as the mentally-ill patient is concerned. Once we faced up to reality, things began happening, and our provincial alcoholism and drug addiction foundation is the envy of every jurisdiction on this continent. Dr. Archibald, the head of it, is in constant demand as a speaker and consultant all over America, and I say to you that this man is deserving of our everlasting gratitude for a job well done.

Our genial Minister of Health (Mr. Dymond) has also not only shown his interest but he is a driving force behind this efficient organization.

Now we have the Provincial Secretary (Mr. Welch), a new man. A young man. A young man of ability and drive and he too is trying to add his bit to the work of this foundation.

We are fortunate indeed to have men of this calibre in Canada and in our province. Again I say and I say it with all the emphasis at my command, and, I repeat, the wonder is not that we have accomplished so little, but that the foundation and related agencies, the Salvation Army, alcoholics anonymous and all the other agencies have achieved so much in such a short time. Nineteen years is a very short time when we think of this problem that has plagued man and his world for countless ages.

The rewards in this field of service are perhaps not so evident to the casual onlooker, but to see a reunited family, a happy and contented human being, a man or woman who before treatment and therapy was a liability but now is an asset to the community, is a reward of unbelievable value.

Now I want you to think for a moment of the size of this public health problem. Sometimes figures are pretty unconvincing things,

but let us compare some figures. We have 1,200 TB patients in this province. That is away down. You know, we made a breakthrough as far as the cure of TB is concerned, 20 years ago; there are 2,000 outpatients receiving some sort of drug therapy and there are 100,000 alcoholics. We have more alcoholics than we have cancer, TB, and polio cases combined. Looking at it that way, perhaps we can see this problem in its proper dimension.

What about our public welfare department? How many of its cases have an alcoholic connotation? Ask the family courts and all other social agencies what proportion of their caseload has an alcoholic incidence.

All of us pay taxes, they are darn high, too, and our taxes support the police departments, the courts, the jails, the mental hospitals, the reformatories, the penitentiaries, the children's aid, the welfare agencies. These agencies draw their largest clientele from those having alcoholic problems. Their maintenance costs countless tax dollars, but all of this money is down the drain. Not one cent goes towards the solution of the alcoholic problem.

Does it not make sense, therefore, the best possible sense, this is what my friend, the member for Niagara Falls (Mr. Bukator) was saying, to invest a few dollars on services, educational programmes and facilities designed to reduce the size of this problem? That is why you were asked to vote $5.5 million to this work.

We have 100,000 alcoholics in this province, but that is only a small part of the story. The individual alcoholic does not suffer alone. His family suffers, his employer suffers, the community suffers, the province suffers.

So this is everybody's business and it transcends party politics.

What does it mean to be an alcoholic? In short, an alcoholic is a man or woman who drinks to excess, and cannot help drinking. A person for whom alcohol has become a regular addition to his diet every day.

We know, and all agree, that alcoholism can cause, and does cause, a lot of trouble. About $200 million worth of trouble every year in Canada alone; that is what it costs.

The alcoholism and drug addiction foundation is the evidence and mark of our concern for these unfortunate people. Alcohol is not only the leading factor in traffic deaths, but is more common than all other factors put together.

Alcohol makes people do irrational things. It robs them of their judgment and often lets them kill themselves as well as others. Not only does it cause heartbreak and trouble, but it tends to drag all society down.

But, there is one thing that stands out today as one of the most terrible effects of over-indulgence. That is the accident and death rate on the highways, caused by people who mix driving and drinking. Many surveys of fatal automobile accidents reveal that drinking is a contributing cause, more often than not. Some surveys in the United States reveal that over 60 per cent of those responsible for fatal accidents had been drinking. Here in Ontario we know that between 40 and 50 per cent of fatal accidents could be traced to over-drinking.

We have made some strides, for example, even though the number who drink in this province has increased by a sizeable proportion, the incidence of alcoholism has not increased since 1961. This is a remarkable achievement when we are told that in almost every other jurisdiction in America the opposite is true.

Between 60 and 65 per cent of people over 21 years of age drink in this province—a large percentage. These people drink for various reasons and most of them can handle it. But, the alcoholic drinks because he cannot help himself. To 98 per cent of those who indulge, alcohol is no problem. They can take it or leave it alone.

However, to about two per cent, drinking has become enough of a problem to interfere with happy, healthy and normal living. These people are sick! They are victims of an illness that requires medical, psychiatric and social help. And this is not an isolated or limited problem. It is not confined to a few families or even a community. All social groups are affected. Putting the alcoholic in jail is not the answer. He needs treatment just as any other sick person.

At the present moment—and this is something I advocated away back—a new 100-bed hospital is taking shape on the west campus of the University of Toronto and we have clinics in most of the larger cities of Ontario. Several half-way houses have been established to assist the alcoholic to make the transfer back from the institution to normal living.

Now as I said before, the incidence of alcoholism has not increased in the past few years. We have held the line but that is all. We have hopes that in the years ahead we shall not only hold the line, but turn it back.

This problem can be solved. We will not solve it in a decade or in 20 years or a gen-

eration, but we are making substantial progress and that is encouraging.

In closing, I would like to express the thanks of all who are working in this field, to the newspapers and other news media and I would like to express my thanks to the members of this House for their invaluable assistance. Most of the daily and weekly newspapers have had articles on alcoholism and drug addiction during the past year. These news media have rendered a great public service in focusing attention on this problem.

They are trying, as we all are, to make Ontario a place in which to stand and to grow.

I would also be very ungrateful indeed if I did not express through you, sir, my personal appreciation to the hon. members on all sides of the House for their continuing interest in this problem and their unfailing kindness to me on so many, many occasions when I happened to be in their local constituencies.

They tell us that the age of miracles is past but miracles do happen. Men and women have been restored to normal and happy living and through the foundation, your interest and support, you have helped make this happen.

Ontario, the most important province in Canada, possesses many blessings; industry, resources, opportunities, educational institutions, we have all these things as the member for Niagara Falls says: "in this glorious land," but, our greatest asset is our people. Anything that destroys the physical, moral and mental fitness of people is bad, for the land, and for all of us. Alcoholism affects all three. It interferes with the physical, moral and mental fitness of people and, therefore, I plead for your continued support, sympathy and cooperation as we try to find a solution to this age-old problem. I have made my speech for the year and I thank you for your attention, and I want your cooperation in the year ahead of us.

Mr. G. Bukator (Niagara Falls): Mr. Speaker, I have waited all day to make my small contribution to this debate, and I sat here watching the members come in and go out. I have prepared absolutely nothing, I thought that I would speak to them, as my good friend who just finished speaking, off the cuff, and doing a bit of reminiscing. I have heard debates in this House that made me proud of the people who spoke, and I have heard others who lowered the dignity of this House just a few notches.

I am reminded of an old friend of mine who said that the politician's life is like the stock market. People are constantly appraising an individual in public life. One day your stock goes up a few points, and when you make some sort of speech that does not appeal to anyone, or some of your friends, and your stock goes down a bit, and I think that it is true. Hon. members are appraised by their efforts in the House.

I have made my better speeches at home before a mirror when I was shaving, and in my hotel room I have prepared many wonderful speeches, and gone through the gestures, and thumped the desk, because that was what I was instructed to do. I find here tonight that I could make an exceptionally good speech similar to the one that I have made in the hotel before a mirror, because I would be talking to myself, I am almost doing that here tonight. I am speaking to eight or nine members of the government, and I thought that I would at least get involved in the debate of labour and management. I thought with the member for Eglinton (Mr. Reilly) and the member for Oshawa (Mr. Pilkey) here, I would make a small contribution to those two hon. members, but they are gone also.

I have found that one of the reasons that we get on our feet and speak in this House is for home consumption. You try to get the people at home to say, "What a good job George did for us", if I should send them a copy of *Hansard*. I thought that I would talk about the parks commission for at least 15 or 20 minutes, and I find that the chairman of the parks commission is not here.

Well it is nice to see the member for Eglinton back.

Mr. L. M. Reilly (Eglinton): Well, I know that he will permit me the odd physical function, I am sorry that I had to leave the House though!

Mr. Bukator: Well, now that the member mentions it, he does look much better!

Mr. E. Sargent (Grey-Bruce): Did you get that for *Hansard*, please?

Mr. Bukator: Mr. Speaker, due to the absence of so many members I do not want to take up the time of the House, however, I have many things that I would like to talk about. I do believe that in just three or four months we will be back in here again, and I will probably be a lot better prepared then than I am now so I am going to make you all very happy because I am

going to finish my speech now. Thank you very much for listening.

Mr. M. Makarchuk (Brantford): Mr. Speaker, as I rise to speak on what is my first Budget debate, I do not have too much to reminisce on. However, I do have a few points that I would like to bring out, particularly in view of what has been said here today in the heat of debate.

One of the things that I wanted to clarify was the statement made by our Liberal friends regarding the "goon tactics behaviour" of the seamen's international union and Hal Banks. Just to set the record straight, Hal Banks was probably the only immigrant with a criminal record who was permitted to enter the country by the Liberal government at that time, to break another union. He was very successful in his task, but like Topsy, he sort of grew, only in a more vicious manner. Eventually, the employers in the maritime industries started to complain about him. Of course, the Liberals in the Ottawa Government then did not particularly care and did not want to do much, because Hal, with what he knew, would be an embarrassment when they put the pressure on him.

Now, it was only after the Canadian labour congress, and the labour movement threatened to close the seaway that there was action taken against Hal Banks. I want to stress this, that it was the labour movement that went out to police itself, to clean itself up, and not the particular government. In fact they allowed Mr. Banks to escape and said that they could not find him, so a local reporter went down to show them where Hal was. I was rather shocked to hear the talk this afternoon about justice, liberty, the free way of life, and all the other clichés that you could tie together. In light of the headlines that were brought out at this time, I think the member should be reminded of those headlines that he did not bring out. There is a headline in the editorial page in the Toronto *Daily Star*, today, and I am going to read this because this is the way that the member wants the trade union movement, and the people who work in the province to go.

The headline is:

DEATH IS THE PRICE

> You never saw the rooming house on Granby street, where three little girls, as innocent as babies, were hacked to death, with their mother. But when you head north to the cottage this weekend, or loll on the lawn in Don Mills, or run a sail up on the lake, it might not be a bad idea to think about it.
>
> It was the kind of house that no city should have. Heaving floors, filthy rooms, smelling from buck-a-bottle wine, and it was the kind of neighbourhood for people to go wild, with financial pressure, and frustration. Nine months ago, a man, just a few doors down, drove a knife into his wife eleven times. Andy Anderson knew it, he lived next door to the little girls. When he carried them away with blankets over their heads, Anderson was asked what he thought about it all, he said:
>
> "I have never seen such a Jesus-rotten neighbourhood as this in my life." This is rich smug Toronto.

Now we had a demonstration of that particular philosophy this afternoon from the member for Eglinton (Mr. Reilly).

I would also like to comment on some of the remarks made by the member for Quinte (Mr. Potter) last Monday. His remarks implied —or he said rather—that the session was rather boring and the members are appealing to the local press and the electorate.

I would like to point out to that member that we would hardly accept the government's programme if it was a sermon from the mount. We intend to question it; to examine it and offer our own proposals as to how this province should be run.

We are not impressed with the know-it-all paternalistic attitude of this particular government. For the member and his government, after listening to the debates this afternoon, I suggest that they open their eyes and their ears to the intellectual clamour that is going on in the surrounding world and accept the fact that we live in the 20th century.

We intend to continue to appeal through the press to the electorate. This is an educational process, the people are entitled to know where the political parties stand.

After all, they will be called upon to pass judgment in the next four or five years. This, of course, is the democratic process and if the member does not like it I suggest he take into consideration Harry Truman's saying: "If you do not like the heat in the kitchen you should get out of it."

Mr. J. B. Trotter (Parkdale): Pretty hot now, I will tell the member that.

Mr. Makarchuk: There is no doubt in my mind that at times there is more smoke than light on the proceedings in this House, and at times it may be boring to be reminded time and time again that the McRuer report has three copies; at times it might be infuriating when you have to listen to the anti-

union biogtry. But I should remind myself in this process of give and take I see that things do get done.

Of course, on many occasions, Mr. Speaker, the legislation passed here is not to our liking, nor is the government moving with the speed one would expect it to move in the 20th century. But I suggest that this is not because of the system of government, but the nature of that government. Seeing that we will not change the nature of the individuals sitting opposite—the few that are sitting opposite tonight—then we will change the individuals.

I also feel, Mr. Speaker, as has been expounded here before, that we should have two sittings a year, one in the fall and the other in winter running into spring. This would provide time for the members to bring critical analysis and suggestions to the legislation that is put before the House, and it would also eliminate the current method of getting legislation through the process of attrition. I also think it would result in more civilized hours of work.

Moving to other things, Mr. Speaker, and taking in account the hot summers, overcrowded living conditions, the air pollution and many of the other undesirable features of our existence, I believe that this government should proceed with haste to establish a series of government-operated camps for children.

If we can provide money for horse racing, Mr. Speaker, we certainly can provide money to establish camps where the youth of our cities and towns can be taken out of the hot concrete jungles into fresh air, green grass, the unpolluted water and nourishing food that can be provided in summer camps. The time to spend at the camp may not be for all summer, but two weeks is something that we can certainly provide for our disadvantaged youth.

The camps can be built in provincial parks. They would provide ready-made employment for thousands of university and high school students during the summer months, and would also provide a respite to the parents of these children.

Summer camps are not new. Children of affluent parents are in a position to enjoy them. It is a matter of extending the same particular privilege to our underprivileged children. The lakes and forests and rivers of this province can, and should be enjoyed by all people.

There is another of great concern to me, Mr. Speaker. Earlier in the session, I put a resolution on the order paper, asking that immediate measures be taken to clean up the Grand River.

For my friends who are not aware of where the Grand flows—possibly the members for northern Ontario—I will explain the river is 180 miles long. It flows through or near such centres as Kitchener, Breslau, Waterloo, Preston, Galt, Paris, Brantford, Caledonia, Cayuga, Dunnville and terminates at Port Maitland.

Within 25 miles of the Grand there is a population of over 1 million people who are caught in what I call a recreation squeeze.

To escape to the north we have to cope with the problem of people from the Metro Toronto area who are also escaping to the north. To the south of us we have Lake Erie now taking on a slimy green appearance. As a result, for the people in this area, recreational possibilities are becoming more limited while the population continues to expand.

The only large recreational possibility available in the area is the Grand River and, of course, as are most of the other rivers in southern Ontario, it is polluted and cannot be used for recreational purposes.

There are other reasons why action should be taken on the Grand. A considerable amount of work has been done building dams on tributaries to the river. This year, the Grand River conservation authority has a budget of over $5 million to build more dams and control flooding. A considerable amount of study has gone into tracing the sources of pollution on the Grand. We know where it comes from.

Some efforts are being made to control pollution on the Grand, but with the increasing industrialization and urbanization the race is being lost. Here is a statement made by James S. Bauer, chairman of the Grand River conservation authority, and he says:

> The Grand River will become nothing but a sewer in five or six years if five large dams are not built to provide enough water for dilution.

At one time, Mr. Speaker, boats were able to navigate up the Grand River to Brantford. The navigation can be revived. The Ontario government has made a study of the possibility of navigating up the Grand, and they feel that a canal in the Grand would create a potential of 5,000 tourist boaters a year and an economic activity of about $4 million after a few years of construction.

To build these dams and canals it appears to me, according to the statement made by the hon. Minister of Energy and Resources

Management (Mr. Simonett), that the Ontario government is prepared to go ahead, but the federal government is the stumbling block in this matter. Seeing that our Liberal friends are sort of gloating about the fact that they have somebody to talk to in Ottawa, perhaps they can start talking to their friends in Ottawa and we can start building dams on the Grand and canals too.

However, Mr. Speaker, in the matter of pollution control, this is a field where the provincial government can and should take immediate action. A crash programme of pollution control in the Grand will show the people of this province that this government is prepared and willing to stand and turn the tide of rising water pollution.

It would be an example to the people of Ontario, Canada and North America that for once, on this continent, human beings have looked at their environment and decided, at least in respect of the Grand River, that not only will we stop polluting our natural environment, but we will correct the mistakes of the past.

This action would open up the area to fishing, swimming, boating, sailing. It would provide something for all those people who live in these little towns where recreational facilities are limited. It would also demonstrate that we have started building a society where the joy does not only come from clipping a coupon, but also from being able to cast a fishing line into a clear river.

One final matter, Mr. Speaker, I was going to bring this up on the liquor debate, but I am not sure whether the liquor debate is going to go on or not. This matter is regarding the discriminatory application of liquor regulations against veterans' service clubs such as the legion, the army, navy and air-force club, the ex-imperial club and others.

For reasons unknown to me or anybody else that I have asked, the board feels that these veterans' clubs could serve beer but not liquor. It seems to me to be an extension of the theory that the Indians cannot hold their liquor theory which was advocated earlier, but repudiated today by the hon. member for Sudbury (Mr. Sopha). Only in this case, Mr. Speaker, the liquor board feels that the veterans and their friends cannot hold their liquor.

As a result, veterans' clubs are denied the right to serve liquor, except when they have a banquet permit, and then again there is a rather illogical situation. Of course, the same rules do not apply to country clubs, and here you have an indiaction that there is one liquor control law for the less affluent and another one for the affluent.

It seems ridiculous that a veteran's wife, who does not like beer and would prefer something else, cannot have the privilege of enjoying a cold Collins, but must swill beer because the liquor board believes liquor is only for the country club set.

It is about time the board stopped this stupid practice of discriminating against veterans' clubs or any other clubs. As long as they meet the requirements and they have a desire to have a liquor licence, then they should be permitted the same privileges that are now only extended to clubs attended by the affluent members of our society.

Once again I wish to stress it is time the board moved into the 20th century. You will find responsible people in all walks of life, not just in the country clubs. So it is about time we removed this cloud of hypocrisy that hangs suspended over anything associated with the liquor control board.

In Stratford, Mr. Speaker, one of the plays this year is by Molière. It is called Tartuffe, and its theme is the hypocrisy of this particular character in the play. Well, Mr. Speaker, after watching that play I came away with the conclusion that Tartuffe is not dead. He is running the liquor control board of Ontario.

Mr. T. P. Reid (Rainy River): Mr. Speaker, it gives me great pleasure to rise tonight to take part in this Budget debate. There are two or three items I would like to discuss very briefly. The first one deals with the proposal of The Department of Mines to remove the mining recorder's office from Fort Frances, Ontario. Now, this is the proposal or recommendation of the select committee on mining of 1966. There is an interesting sidelight here in that W. G. Noden, the member who preceded me in this House, was on that committee. One of the recommendations of that committee was that the number of mining recording offices be cut down from, I believe it was, 12 to eight.

There have been two reasons given for the removal of this office, one, the small number of licences sold from the office, and secondly, the lack of a resident geologist. I would like to propose some reasons to this House, to the Minister of Mines (Mr. A. F. Lawrence) and to the Premier of the province (Mr. Robarts)—

Mr. E. Sargent (Grey-Bruce): He is not even in the House.

Mr. T. P. Reid: —a number of reasons why this office should be left in Fort Frances. Of

the total cost or expense to the province, total expenditures of The Department of Mines, is $4,838,000. Now, we are told that this office in Fort Frances is a great expense to the province, but here we have the annual report of The Department of Mines and the title of it is: "Through the Billion Dollar Barrier".

In the last year, the mining industry in Ontario has contributed over a billion dollars of cash to this province, so that the cost of one small office in a small town such as Fort Frances is really negligible. The revenue from the mining tax from 1960 to 1966 has averaged from 1 to 2.3 per cent of the provincial net ordinary expenditures. The select committee on mining on page 53 states:

> The Department of Mines has been a substantial revenue producer for the Provincial Treasury for many years.

The budget of the mining lands branch, one of the sections within The Department of Mines, is $496,000, which includes mining recording branches. This is 0.01 per cent of total provincial expenditures. On the other hand, the revenue gained to the province from recording of mining claims in the last year was $487,362.45. Miscellaneous added to that was $19,509.22, for a total of $506,-871.67. So the total budget of the recording branches of this department is negligible in the overall picture.

The Minister said in reply to the member for Port Arthur, who raised the subject on behalf of myself and the people of northwestern Ontario, that the present revenue of the Fort Frances office was equal to the expenditures for that same office. As hon. members can see by looking at page 114 of the annual report on mining, the revenue is equal to the expenditure.

Now, it is a strange thing that we are spending a great deal of money on public relations in this department and at the same time we are closing down some of the small offices in these small towns. I suggest that if you are trying to promote the image of mining and the image of The Department of Mines, that one of the ways this could be done is to let those offices remain where they are.

I would like to provide some positive reasons why these branches should be left where they are. First of all, I would like the government to consider the matter of geography, the long distances that prospectors and those who have business with the mining recording offices are now going to have to travel. From Fort Frances to Kenora it is a distance of some 140 miles over a not-too-good road. For anyone who has to make this journey this entails at least one full day, and the subsequent loss of time and income.

I might add at this point that if there was a direct connecting link between Highways 11 and 71 the people around the Ignace area would be able to reach Fort Frances within a shorter time than they would take otherwise and the number of claims and licences issued from Fort Frances would be greater.

I might say also at this time that the mining concentration in the Rainy River district alone pays for this mining office. The revenues derived from the mines at Atikokan alone would keep this office running for a great deal of time. I might point out to the Minister that he made the point that the number of miner licences issued from the Fort Frances office was down and was a very small number. But I would point out to the Minister that this is not a criterion for keeping the mining office open.

Firstly, veteran prospectors, those who have been in the business or in the game, if you like, for some time, do not purchase their licences in a district in which they are going to operate. They like to keep their movements and their activities secret, so that other prospectors will not know where they are and what they are doing. There is a great deal of competition in this field. Subsequently, a great many of them buy their licences, especially from Toronto, and not in the district in which they are active.

It is a further fact that all mining companies must purchase their licences from Toronto rather than the district in which they are working. This again would detract from the number of licences that would normally be issued from the Fort Frances office. A further fact concomitant with that one is that a prospector attached to a company—and this means the majority of prospectors today—have companies purchase their licences for them. Again these licences are purchased in Toronto, again cutting down on the number of licences purchased in the Fort Frances area. Therefore, the number of licences purchased at this actual office should be no criterion and does not accurately affect mining and prospecting activity in this particular area.

Now in his remarks, the Minister asked for some cogent reason why this office or offices should be left where they are. Now I would suggest to the House that those of us in the smaller communities of the north are in a very different position than the large urban centres in the province. First of all, a gov-

ernment recording office or any service in a small town can play a very integral part in the economy of that particular town. With the mining recording office in Fort Frances, this obviously attracted and brings prospectors and those interested in mining activities into the Fort Frances area.

In that area, they purchase their supplies, their entertainment, and they usually stay overnight, and all this adds to the economy of a small town, and the effect economically in total is great. I would ask that the Minister keep this in mind when he looks for cogent reasons for leaving the office where it is. I would further like to suggest that the government review its philosophy of service to the people, especially those in this area. The philosophy of the present government seems to be that revenues equal or exceed expenditure. In this case, at the moment, revenues do exceed expenditures. The office is, in effect, making money.

But even if the office was losing money, which it is not, I would suggest that the policy of service to the people of this area should be kept in mind, that the possible over-expenditure would be little in regard to the service that this office could render to the people of Fort Frances, Rainy River and Atikokan, and the district.

I would therefore plead, on behalf of Fort Frances, and all the towns where the recording office is to be moved out, that they be allowed to remain. Now, there are various alternatives before us in this case. Number one, we could leave the office where it is, in Fort Frances and the other areas, and secondly we could place a resident geologist in each of these towns where there is no one there at present. Or we could have a resident geologist travel from Kenora on specific days. If it was properly published, those in the mining business would be aware of this, and could make certain that any information that they wanted, they could get on those designated days.

I have a further alternative, and the least tasteful to me, but that is that the present mining offices be allowed to be phased out slowly, a course of natural attrition. When the present mining recorder retires, then he should not be replaced, and this is a final and least tasteful alternative.

I would like to ask how the government intends to save money by sending the present recorder to Kenora, where there will then be two resident mining recorders when apparently one can handle the job now. In other words, at the present time there is going to be no economic benefit by moving the office to Kenora.

I repeat, I would ask the Minister of Mines, the government, and the Premier in particular to leave the mining recording office where it is in Fort Frances.

There is a second subject that I would like to dwell on very briefly, and that is the necessity for a road between Highways 11 and 71 in northwestern Ontario. I have mentioned this in a number of letters and speeches before, so I shall be brief.

I would reiterate that there is an urgent need for a connecting link between highways 11 and 71, between Ignace and Atikokan. At the present time, it is necessary for those who wish to travel in different parts of the Rainy River district to travel either through the constituency of Thunder Bay, or Kenora to get into a different part of the district. Secondly there is no direct geographical link with the town of Ignace which is now in the Rainy River district, or any of the other larger population centres such as Atikokan, or Fort Frances.

Such a road would open valuable timber land that would assuredly soon be exploited. It would also open a great area for recreation and access to a great number of lakes, and some great fishing and hunting.

Now, I see that the Minister of Lands and Forests (Mr. Brunelle) is here once again, and I would not like to miss an opportunity to plead with him once more the subject of fishing licences. I would like to congratulate him on the exemption of women on fishing licences.

I would ask, as the Premier is with us, that he and the Minister of Lands and Forests would once again re-examine their position on the fishing licences, and I hope that they will never be put in effect.

I would like to make one more, and probably not the last, request for the exemption of old folks, senior citizens, or people on pensions, whatever you will, from the necessity of the purchase of fishing licences. I have received a number of letters from people on pensions, and old folks who are not able to fish now, or who feel almost betrayed because they are going to have to purchase a licence to fish.

When you are living on a pension of some $105, the $3 fishing licence can be a burden. In closing I would ask once again that the position be reconsidered, especially with regard to the exemption of senior citizens.

Mrs. M. Renwick (Scarborough Centre): Mr. Speaker, since I would prefer to speak at some other time, would I be in order to request the adjournment of the House, it being 11:00 of the clock?

Hon. J. P. Robarts (Prime Minister): Well, we very seldom resist the requests of the distaff side of the Legislature. May I suggest that the hon. member move the adjournment of the debate?

Mrs. M. Renwick moves the adjournment of the debate.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, may I ask the House for permission to revert to motions in order that I may move that this House will meet tomorrow at 9:30 a.m. and adjourn at 2:00 p.m.?

Motion agreed to.

Hon. Mr. Robarts: Tomorrow morning, Mr. Speaker, we will deal with remaining estimates of The Department of Financial and Commercial Affairs, and the estimates of my own department, and the Lieutenant-Governor, and the Provincial Auditor.

An hon. member: Oh, we will have to phone the hon. member for Sudbury (Mr. Sopha).

Hon. Mr. Robarts: Mr. Speaker, we had hoped that there might be a change in his approach with the new Lieutenant-Governor and this will remain to be seen.

After that I would like to deal with the second order on the order paper, I think, the report of the workmen's compensation board, Ontario. Then we will get back to the Budget debate.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:05 o'clock, p.m.

No. 159

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Friday, July 19, 1968

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, JULY 19, 1968

The House met at 9:30 o'clock, a.m.

Mr. Speaker: Later this morning we will have in the west gallery the new Canadian group from Church Street school in Toronto.

Petitions.

Presenting reports.

The Minister of Trade and Development.

Hon. S. J. Randall (Minister of Trade and Development): Mr. Speaker, during the course of the debate on the estimates of The Department of Trade and Development, I offered to table correspondence concerning the proposed land transaction among Ontario housing corporation, central mortgage and housing corporation, and Trent Park Developments Limited in the city of Peterborough. Mr. Speaker, I wish to table this correspondence at this time.

In doing so, I would like to refer to the discussion which took place during the course of the debate whereby certain allegations were made concerning a former member of this Legislature, Mr. Keith Brown, to the effect that he was a party to this transaction.

I would like to state categorically that at no time was Mr. Keith Brown involved in discussions or negotiations with Ontario housing corporation. At the time Ontario housing corporation first became aware of the availability of this property, title had already been passed from Mr. Keith Brown to New Orleans Investment Corporation Limited some several months earlier.

Even if the land development staff of Ontario housing corporation had been aware of the earlier interest of Mr. Brown in this property, they would have had no reason to associate his name with that of a member of the Ontario Legislature. It is not the practice of Ontario housing corporation to search title until such time as a decision has been reached to consummate the purchase of a piece of real property. Even were a title search carried out at an earlier date, corporation officials would be placed in an intolerable situation if they were required to track down all previous owners with a view to determining whether at any time they had been elected officials.

From Mr. Keith Brown's point of view, his sale to New Orleans Investment Corporation Limited was a perfectly normal business transaction. To suggest that due to his earlier interest in the land he was improperly involved in a transaction between Ontario housing corporation and another party is wholly unreasonable and completely unwarranted.

As can be seen from the correspondence which I have just tabled, formal communication with the vendor's representatives first began during the latter part of June, 1967. This followed a visit to the offices of Ontario housing corporation by a real estate salesman, a Mr. Hardy, who was employed by New Orleans Investment Corporation Limited. Ontario housing corporation was interested in acquiring additional land holdings in the city of Peterborough, and followed its normal procedures in such cases.

After the site had been inspected by one of the corporation's property officers, on May 26, 1967, steps were taken to secure the land under a conditional offer to sell. This agreement was executed by the vendors on June 30, 1967 and by OHC on July 6, 1967. Subsequently, the corporation asked for an extension of the agreement to October 31, 1967 and this was agreed to, subject to payment of a further deposit of $50,000, which was to be returned if the negotiations were not completed. Subsequently, this deposit was returned in its entirety.

I would again like to make it very clear that this is just one of many transactions which have been considered and for various reasons rejected by OHC. Futhermore, the conditions of purchase which were included in the offer to sell were conditions which are normally included in such agreements by OHC, as at the time of securing the land under agreement, it has no knowledge as to whether or not the necessary federal and provincial authorities, or the approval of the municipality concerned, will be forthcoming.

May I, therefore, conclude and summarize these remarks, Mr. Speaker, by repeating that there was nothing unusual in this transaction and Mr. Keith Brown was not a party to the

discussions or negotiations involving the Ontario housing corporation.

Mr. E. Sargent (Grey-Bruce): Just a coincidence?

Mr. W. G. Pitman (Peterborough): I wonder if I might be able to make a point of order at this point in view of the fact that I was the person to bring this matter before the Legislature in the first instance. My point of order is this, that at no time did I mention the name of Keith Brown or indicate in any way that he was involved in this transaction. I do not believe that any other member of this political party made that statement. Our concern was entirely with the nature of the transaction. I do not wish to comment on the statement which the Minister made this morning, but I did want to make that point clear, very clear, before this Legislature.

Hon. Mr. Randall: Mr. Speaker, the member is quite correct. There were no names mentioned by any member of his party.

Mr. Speaker: Presenting reports.

Motions.

Introduction of bills.

Mr. Sargent: Mr. Speaker, the other day I asked the Prime Minister (Mr. Robarts) a question regarding the jailing of a 16-year-old girl on an 89-cent theft charge and the Prime Minister—

Mr. Speaker: I believe that the Minister of Correctional Services has the answers to previous questions at this time.

Hon. A. Grossman (Minister of Correctional Services): Yes, Mr. Speaker, on July 4, the hon. member for High Park (Mr. Shulman) asked the following question: "What were the various reasons, other than the one mentioned by the Minister yesterday, for the inmates' disturbance at Burwash this week?"

Mr. Speaker, the other reasons given were complaints about food and complaints about the quality of the movie projector and speaker system in the dormitories and the corridors.

The hon. member also asked me question No. 740 on June 27, I believe it was, about some details regarding an epileptic in the Don jail, whom he named. In view of the fact that this man's name was used in the question, and particularly as the charges against him were subsequently withdrawn, I propose to deal with this matter in a letter to the hon. member.

On May 21, the hon. member for Wentworth (Mr. Deans) referred to a newspaper article regarding conditions at the Halton county jail. I said at that time that I would take the question as notice. I had ordered an investigation into the conditions of the county jail at that time. Since then, inspectors have investigated the staff situation, the housekeeping situation, security, supervision and the facilities generally. The following changes have been effected as a result of that inspection:

1. The governor is presently on sick leave pending retirement effective August 31, 1968, at his own request.

2. One of our inspectors is supervising the operation of the jail pending the appointment of a successor to the governor.

3. Administrative changes have been effected including the reorganization of shift duties.

4. Administrative and standing orders are being revised and rewritten.

5. A new chef has been engaged.

6. Competitions are being held for staff promotions to complete the staff complement.

7. A complete painting programme is being initiated.

8. New corridor tables are being installed.

9. New security screens are being fitted, in consequence of which the large exercise yard will become more secure.

10. Visiting arrangements are being reorganized. Halton county jail was built in 1878 and, as a structure, can never be operated as true correctional unit. The present physical facilities are in good measure responsible for the difficulties.

Staff responsible for running such institutions need to be very dedicated, very conscientious and have great ability if they are to maintain an institution of merely acceptable standards—if one may say they are acceptable.

By and large, the staff of the jails are doing a most praiseworthy job under very difficult conditions. The local changes we have been able to effect in the Halton county jail will I hope contribute to its proper and orderly operation in the future.

Mr. Speaker: The member for Grey-Bruce had a question for the Minister of Trade and Development.

Mr. Sargent: Mr. Speaker, in this regard, and in view of the fact we are meeting in the mornings, could we arrange to have—

Mr. Speaker: The Minister is not now in his seat, he was a moment ago.

Mr. Sargent: Regarding questions, Mr. Speaker, and meeting in the mornings, we have to have our questions in before 9 o'clock. It is almost impossible to get them in by that time. When could we get our questions in—

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): At 2 a.m.

Mr. Speaker: I might say to the member that there were certain questions for today which were placed in the hands of Mr. Speaker last evening.

Mr. Sargent: Mr. Speaker, I asked the Prime Minister a question a few days ago about the jailing of a girl 16 years of age, for the theft of 89 cents, and he was going to investigate it. Can he answer in the House now?

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I will check this out, but I have not the answer at the moment.

Mr. Sargent: One more thing, Mr. Speaker. In view of the fact that yesterday morning's paper carried ads showing the products in brewery advertising—

Mr. Speaker: Order, order!

I do not believe the member has placed a question for this particular period on that point.

Mr. Sargent: It is a matter of public interest.

Mr. Speaker: Well, we have certain other questions and the member realizes the method by which questions may be placed before the orders of the day.

The leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Energy and Resources Management.

What plans has the Minister to assist the 75 employees of the glue factory in Brantford who will be unemployed following the anti-pollution order of the Ontario water resources commission?

Hon. J. R. Simonett (Minister of Energy and Resources Management): Mr. Speaker, I was not aware of this question until I arrived in the House so I will take it as notice.

Mr. J. Renwick (Riverdale): Mr. Speaker, I would like a little guidance—

Mr. Speaker: Order! Order, please!

I believe the leader of the Opposition has another question; of course the Minister is not here.

Mr. Nixon: He is not here and the question would be directed to him.

Mr. J. Renwick: Mr. Speaker, I need your guidance because my colleague, the member for Lakeshore (Mr. Lawlor), who is engaged elsewhere on the select committee dealing with the Smith report, has a question dated July 17, for the Minister of Education and University Affairs (Mr. Davis). It has been customary to hold the question until the Minister was present, but with the close of the session so near, is it possible that this question could be put to another Minister so that an answer could be obtained before the session is ended?

Hon. Mr. Robarts: Mr. Speaker, in order to assist I will arrange to have any questions that are asked answered prior to the prorogation of the House.

Mr. J. Renwick: Well, then in that case—

Hon. Mr. Robarts: They are all here, even though the Minister may not be in his seat. If the question is placed with the Speaker's office, then it is in the Minister's office whether he is here or not.

Mr. Speaker: The member for Wentworth has a question.

Mr. I. Deans (Wentworth): Mr. Speaker, I have a question for the Minister of Labour.

Did The Department of Labour refuse to accede to the request of local 203 united glassworkers of America when, on Wednesday, July 17, the glassworkers requested a Labour Department representative to inspect the heat conditions at the Dominion Glass Co. in Hamilton, which were so bad that some of the employees had fainted on the job? If they did, why?

Hon. D. A. Bales (Minister of Labour): Mr. Speaker, I just received this question before I came into the House and I was in touch with our Hamilton office. A call was received from this company and the inspector is looking into it. But at the moment I have not been able to speak to him. I think perhaps if I could, Mr. Speaker, in view of the imminence of the close of the session, I will

get the information and provide it to the hon. member.

Hon. Mr. Robarts: Mr. Speaker, before the orders of the day, I would like to table answers to questions Nos. 39, 59 and 61 which are on the order paper. (See appendix A, page 6065).

Mr. Speaker: Orders of the day.

Clerk of the House: The 7th order, House in committee of supply; Mr. A. W. Downer in the chair.

ESTIMATES, DEPARTMENT OF FINANCIAL AND COMMERCIAL AFFAIRS

(Concluded)

On vote 704:

Mr. V. M. Singer (Downsview): Mr. Chairman, under this vote, do we deal with real estate branch and private bailiffs and so on?

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Chairman, we had covered the first two items of vote 704 and were at the registration and examination branch, which is the—

Mr. Singer: Real estate and bailiffs and so on?

Hon. Mr. Rowntree: Yes.

Mr. Singer: Mr. Chairman, I have a couple of things I want to bring to the attention of the committee.

The first matter deals with something coming under the control of the registrar of real estate and business brokers. I have a file of correspondence here, supplied to me by a lawyer who is very incensed about the lack of action that he obtained from that branch. The story very briefly is this.

In the course of his practice he was called upon to act in connection with a purchase of a small business and, as the Minister knows, there are certain proceedings that have to take place and there also are certain statutory provisions that are applicable in cases such as this. Particularly, The Real Estate and Business Brokers Act, section 51, is the section that concerned the lawyer and this matter. He felt, and I am not going to go into specific detail, that there had been a breach of this section by the real estate broker involved, and that his client was being prejudiced and the protection intended to be extended by the Act was not being given, and that the real estate broker should be dealt with in the appropriate manner. He wrote a letter to the Toronto real estate board and set out all the details. It is quite a long letter, and I have it here, but I think that the copies for all the correspondence are all in the files of the department.

It is a complaint against Mann and Martel by Mrs. Norma Jordan. There is a letter on the stationery of the department to which I will refer in a moment. In any event, he sent a letter to the Toronto real estate board setting out his complaint in some substantial detail.

Hon. Mr. Rowntree: Before or after?

Mr. Singer: First! The Toronto real estate board sent him this reply in May of last year:

> This will acknowledge receipt of your letter of April 22 in regard to your complaint against these agents, regarding the property. A copy of your complaint was forwarded to the agents for their comments and that matter has been referred for further investigation to the ethics committee of the board. We will be in touch with you again when the investigation is complete.

Then twelve days later, another letter comes from the real estate board, and:

> This is to advise you that the ethics committee of the board has completed its investigation into your complaint. Although it is not a policy of the committee to disclose its findings, we do wish to thank you for bringing the matter to our attention. It is only through the interest of non-members that the board is able to help to maintain a high standard of membership.
>
> Yours very truly—

Now, I know that the Minister is going to say that the real estate board is a voluntary organization and perhaps this is an unusual way of dealing with a complaint, and if he had any control perhaps he might do it in a different way. Well, that is not enough. The Toronto real estate board, a voluntary organization set up within that profession to govern it, listens to complaints, and then says: "Thank you very much, nice of you to bring it to our attention, but we will not tell you what has happened."

All the correspondence is then sent to the Minister's department. I am not going to go through it letter by letter, but the letter dated August 15, 1967, signed by Douglas Crowe,

complaints officer of The Real Estate and Business Brokers Act, addressed to the same party say this:

> We acknowledge the receipt of your letter of August 10, concerning the (caption) subject. The undersigned has contacted the Toronto real estate board to learn of its findings and to determine what, if any, disciplinary action has been taken. This department will review this matter and take such action as is warranted under the investigation.

This is the paragraph, Mr. Chairman, that just makes me wonder.

> It is not our practice to make public the action we take in such reviews, but you may rest assurred that every effort will be made to ensure compliance within The Real Estate and Business Brokers Act by the registrant concerned. Thank you for your co-operation in this matter.

Well, this is silly, is it not? Here is a practising lawyer, who—with a good sense of responsibility and a desire to protect his client's interest—makes a complaint which he considers legitimate. As I say, I do not think we have to judge whether his complaint is legitimate or not. He sets it out in full detail, and he complains to the real estate board. Granted we have no control at present over the real estate board. They send him a letter saying, thanks, we will not tell you what we will do, but we will look into it.

He is not satisfied with that and comes to the responsible department of the government which has control by the licensing provisions, over the brokers, and they say exactly the same thing as the real estate board did. Thank you, we will not tell you what we did, except that we do think that the Act should be complied with. There is surely something wrong.

I am concerned that, when a seemingly legitimate complaint is brought to the attention of the registrar and the department, a foolish answer such as that comes forward—with all the power of government behind it. Either you say, "Yes, we think that you have a good complaint, and the agent that you complain about has behaved improperly" or "in our opinion he has behaved quite properly." If he has behaved improperly, you say, "we have done certain things, we have suspended him, and taken his license away," or something. Or "in our opinion, the complaint is frivolous and has not sufficient merit behind it for us to act." I think that he is entitled to that.

Hon. Mr. Rowntree: Mr. Chairman, I agree with the proposition put forward by the hon. member. When a complaint is received, and especially when there is a participant involved, it is not a matter of gossip, or direct interest in the matter. In fact, I gather that the person on whose behalf the solicitor was acting, was a party. I agree that he was entitled to information after the department had made whatever investigation was required of the report as to the ultimate disposition. I agree with you, and I will undertake to look into the procedures.

Mr. Singer: If the Minister wants any more detail on this matter, I can show him the copies of the correspondence, but I think that they exist in his files now. The second point in regard to real estate brokers, Mr. Chairman, is that a practice has grown up recently in the unusual real estate market that disturbs me very much. That is the practice of a minority of real estate brokers who buy properties on speculation.

I have seen this happen in my own office on two or three occasions. Rightly or wrongly, the broker has been able to sneak out and meet the obligations at the last minute, but I know that this has happened on the few occasions that I have come into direct contact with it, and I can imagine this happening quite frequently because of the unusual conditions of our market. Properties by and large have been increasing in value.

What happens in a good many cases is that brokers who think they have spotted a good deal will make a deposit and put in offers that are accepted on pieces of property, in the hope that by the time the closing date comes along, they will have found a new purchaser, and made some money down the middle. Now, neither of the cases that I have personally come into contact with have become the subject of a formal complaint, and there are no details available in the Minister's office about it, but it is a practice which unfortunately is spreading, and I would think that some kind of strong statement should be forthcoming to the profession to indicate what the department thinks about it, if it has not already been done. I should think that the department takes a very dim view of this kind of practice.

Hon. Mr. Rowntree: I am familiar with the area of operation to which the reference is made. I must now refer to the question of amendments to this legislation. The other day I discussed the entire position of the department with respect to used cars and

real estate, mortgage brokers and so on. Various pieces of legislation are being amended in the light of certain other reports and I would hope that when the House sits in the fall, we will be in a position to introduce legislation.

Now the very point that is raised is one of the crucial points of the entire bill. This to me is the major issue that we have to face, and quite frankly I think that there are two sides of the coin. But the public is entitled to go to a real estate operator and say that they are looking for a type of property and to get the best advice that he can give. But when the broker discovers something that meets the needs—there are occasions—I think he would want me to put it this way—when, instead of conveying that information to his buyer, he has bought it himself. This just puts the whole situation into question. I appreciate this situation. We all want to be fair. There are other areas of our economic activity where people trade in matters on their own account. Is that desirable or not? I am not sure, but this point raised by the hon. member for Downsview leads to a fair amount of dissatisfaction.

Mr. Singer: There are two questions. I am very happy to hear the Minister say there is legislation he hopes to bring in, perhaps in the fall, in regard to this. But two questions obviously arise. The whole question of principal and agent relationship, the trust burdens the agent has. Should he be able to profit without full disclosure? If he comes to the client and the owner and says: "I am going to buy it on my own account—I am prepared to take the risk of making a profit after I have closed the deal with you." And the owner says: "Fine, I am happy." Then, of course, there is no complaint. But if he does this with the idea of making a profit, and perhaps reselling it without even putting up any cash before the deal is closed, then I think there is probably a breach of trust.

Then, of course, there is the other aspect. He does it on spec and he gets caught. Then he goes back to the owner and says: "I am sorry. It fell through. Sue me." Then the trusting owner who has put it in his hands, has no resort other than to go to court in an effort to get his deposit back. Perhaps he can go to your department and say it is time you disciplined this broker in a proper manner.

So as I said, I am pleased that the Minister has said that he has considered this matter, and anticipates there will be legislation on it in the fall.

Now the third point I wanted to deal with —and not at too great length—is the use of private bailiffs.

Hon. Mr. Rowntree: I have been waiting for this—

Mr. Singer: Well, to my mind, Mr. Chairman, I am not going to gild the lily; I think the Minister knows exactly what I am going to say. There is no place in our economy any longer for private bailiffs. I would think that function, whenever it has to be performed, can and should be performed by a public official such as the sheriff. The sheriff has trained people who are responsible—he is a responsible public official—if something goes wrong. Do you still use the inspector of legal offices to check on the performance of the sheriff? All the accounts procedures within the province and so on?

It is an integral government procedure, and if there is something wrong the chances are that you will spot it. Certainly, once you have discovered something you can be expected to, and will, take action; but on private bailiffs the thing has just gone hog-wild.

They are acting at the behest of landlords. Many landlords are taking advantage of the unusual housing situation; they are using private bailiffs improperly to threaten individuals.

The public unfortunately believes that private bailiffs are clothed with some unusual rights; often, that they might be something like police officers, if not police officers which, in fact, they are not. Private bailiffs move in under private warrant, undergoing all of the risks of improper action and so on. But the public is not advised of this. A man knocks on the door of a tenant and says "I am the bailiff," and most often in the mind of a person who is being approached by the private bailiff, this person is equal to a policeman and they give much of the respect that policemen are entitled to to this person who is so often acting illegally.

I have two specific cases, and undoubtedly there are many many more, where these private bailiffs pay no attention to the fee schedule—they tack on another $10 on a $20 bill with the greatest of equanimity. People are concerned about it—they are frightened—they often pay it because they are being threatened with eviction, and how far do you pursue $10 after you have done it? After the deed has gone, how many days do you spend in court or seeking legal advice to pursue $10? It take a pretty determined person to do that. The incidence of seizing

goods together with eviction from the premises, joining together the two remedies, is very, very high. As the Minister knows, this is quite illegal; the landlord has one of two remedies he can choose. He has to elect—either he is going to sieze property for arrears or he can evict. But in most cases where the bailiff can do it and does do it, he seizes and evicts at the same time. There are other cases where the bailiff comes in to sieze for arrears of rental of $100 and he takes everything. He takes property in the value of several thousand dollars to force the payment of $100.

Mr. Chairman, I am not going on very much longer; there are many, many instances. The situation is abhorrent to me. I would think it is abhorrent to the Minister, and I would hope that the whole system of private bailiffs be done away with. I just do not think that there is any way of curing this. It is a diseased system—the only cure is to do away with it and to start over. The obvious remedy is to place it in the hands of a public official such as the sheriffs of the various counties.

Hon. Mr. Rowntree: Can I just comment on that for a moment, Mr. Chairman? There are certain responsibilities and duties which, by law, can be enforced by this operation of what we are calling the area of private bailiffs. But against the examples and the outline that the hon. member has given the House, there can be no question that, whatever those duties and responsibilities they are dealing with, that is not the right way to do it.

At the best they are quasi-legal functionaries, and I think that entire operation should be under the complete judicial process which, it has been pointed out, would be in the area of sheriffs of the courts and the court system, where they fall within the regulatory supervision of the courts themselves.

If we did that we would accomplish what the hon. member has pointed out, that of certain undesirable practices and undesirable positions and the uncertainties that go with them. Our position is, we agree with the proposition being advanced and discussions will be completed, I hope, shortly, so that again we will be able to see what solution we can come up with. But the kind of solution I have in mind is what we have been talking about.

Mr. Chairman: The member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Chairman, I would like to come back to the matter of licensing used car dealers for the moment, and to suggest to the Minister that perhaps a review ought to be undertaken. A review of all of the used car dealers in this province, because I have good reason to believe that many of them are acting improperly, if not fraudulently.

At the time of the sale of a used car, the dealer is required to fill in or to fill out or to at least indicate on this form that the car is in safe mechanical condition. I have a number of cases which I would like to outline to you where the dealer, though having signed these, obviously did not check the automobile in question. Even when he did in the one case the one part that he did actually check—he did not repair it, and yet he still filled in this certificate that says at the bottom: "I hereby certify that the above described vehicle is in a safe condition to be operated on a highway." Signed by whoever the dealer may be on a certain date. It states quite clearly the points that have to be checked.

The one case that I have is not quite as recent as the other, but I would like to explain what happened in this particular instance. A gentleman purchased an automobile from a used car lot, and he got this certificate that I have been discussing saying that the brakes were in good order.

Hon. Mr. Robarts: Mr. Chairman, I should point out I welcome these comments and I do not mean to interfere, but there are two aspects that arise with respect to the sale of, say, used cars. One has to do with the business aspect of the transaction, warranties and the nature of the business side of the deal which comes directly under our supervision. Another area, which is equally important, is safety, which comes under The Department of Transport. I point out that this certificate of mechanical fitness is regarded by The Department of Transport as a safety measure; in spite of that, I welcome the member's remarks about the subject.

Mr. Deans: Thank you, Mr. Chairman. I do believe they tie in. I agree this is a certificate of safety but the protection of the consumer is very much at stake. If this certificate is fraudulent, then of course the consumer suffers the consequences.

What we have here is the case of a gentleman who purchased an automobile and finds there is something wrong with it when he is testing it out. In this case, he brought to

the dealer's attention the fact that the handbrake was not in order. The dealer said, in the usual fashion, "Fear not, we'll fix it," and he did, apparently; it appeared to be repaired.

The gentleman's wife took the car out, pulled on the handbrake and the handle came off in her hand because it was taped in placed. She could not, therefore, use the handbrake. She attempted to put on the automatic brake, it did not work, so she parked the automobile anyway. What happened, of course, was that the automobile rolled down the hill, damaged another car, created all kinds of difficulties for them. In the end their insurance company was forced to pay and their insurance rates went up, all because of the fact that when they brought this fault to the dealer's attention, he did not fix it. They tested it at the time and it appeared to be rigidly repaired, but it was not. And that is fraudulent dealing.

The other case that I have is a very recent case of a young man who purchased an automobile in Kitchener. I should, perhaps, have given it to the member for Kitchener (Mr. Breithaupt), perhaps he would have liked to handle it.

He purchased this car on May 5, and this is the actual certificate indicating that everything is in wonderful condition. He took the car out, he paid cash. He took it home on May 6, I believe—I cannot see the date on the thing, but it does not matter.

On May 22 he had to be towed; he had to have a complete new clutch put in; he had to have complete new brakes put on it; the exhaust system was defective; the lights were not working properly; and the windshield wiper was not operating properly, it was stuck on with some kind of adhesive compound and, of course, it just wore right off. They lifted it out and found the little ratchet part was not in operation.

Now, I cannot say that the dealer put the adhesive compound there, I have no idea, but I do suggest that it was not in fit mechanical condition to be sold. This young man is now faced with the prospect of going into court and attempting to claim and recover the damages he lost. He has to try and get all this sum of $150 that he has paid out of his own pocket, in a court of law. This dealer should be dealt with much more severely.

Hon. Mr. Rowntree: I think with all the deficiencies the member has pointed out, adhesive on the windshield wiper, defective muffler, no brakes, and clutch not working very well. I am not siding with the dealer, but surely there is some duty on the purchaser not to accept a piece of paper in lieu of the adhesive tape on the windshield wiper.

Mr. Deans: I did not say adhesive tape, I said adhesive compound.

Hon. Mr. Rowntree: Well, compound. But I think the member would have to agree—

Mr. Deans: I agree I am going to suggest this to the Minister, that the reason he found all these things out was because—the clutch, for example—he took the automobile to his own garage. He lived in Hamilton so he had to transport it back. He took it there and this is where all these things were discovered.

Now, it says quite clearly that the brakes are in good condition, yet they were not, they had to be replaced.

Hon. Mr. Rowntree: He has two things available to him, he has a complaint and he has that certificate from the dealer. He has a good case in law and he should not have any trouble recovering from the dealer on the basis of the warranty. There is more than an implied warranty there.

Mr. Deans: I do not deny for a moment he has a good case in court and perhaps will win. What I am suggesting is I believe this practice goes on, not only in this particular area, but in many, many areas of the province with the majority of used car dealers. I do not believe that they ever check to make sure that things are actually in fit condition.

I think that a quick check through this province, regardless of whether you go to all or just a few of the dealers, will indicate that they are not acting fairly with the consumer. I think it could be stopped quite easily if it were made quite plain to them that they will suffer the consequence of having their licence revoked if it is discovered that one automobile goes off the premises without having been checked fully.

Mr. J. R. Beithaupt (Kitchener): Mr. Chairman, I have several comments to raise with respect to The Used Car Dealers Act. First of all, I would refer to some of the earlier questions that I had asked of the Minister concerning the making of so-called regulation. The Minister was most helpful in his answers to me, but there are some areas that I think deserve a bit further development.

It is certainly agreed that any proper regulations as such can only be made by a

duly constituted authority, and can only be overturned by a court finding them to be *ultra vires*. But there are certainly some regulations as well that have been made by an administrator of an Act when on occasion he may not have the actual authority to so make them.

Perhaps three brief examples will suffice. Under The Used Car Dealers Act, there is a certain so-called regulation requiring that no salesman may be employed on a part-time basis. Yet there appears to be no provision for this restriction in the actual regulations, nor is there a definition of the actual term of salesman and what constitutes the category of a salesman.

There is also a so-called regulation which requires that any dealer wishing to enter into the business of buying and selling used motor vehicles must have an office, a lot and a sign. Yet there is no real provision for this authority in the actual regulations that govern the operation of this area.

Thirdly, there was, at one time, a classification called broker registration and it appears that there are no more of these registrations being permitted.

I am wondering if the Minister can inform me as to the authority under which these so-called regulations are made, and whether he will move to insure that they are perhaps re-classified by term in the name of directions or instructions so that the apparent problem no longer exists?

Hon. Mr. Rowntree: The approach which the hon. member for Kitchener is taking is the opposite approach to that taken by the previous speaker, who has now left the House. I am sorry he is not here to hear this other half of the debate. Frankly, there are matters which are determined as a matter of policy.

The member says there is no authority for them. Well, I am not sure that is accurate either. But there is such a thing as policy. It is another matter whether the policy is right or wrong.

The development of this policy in this branch arose from the constant complaints of part-time salesmen who were part-time when they sold the car, but the other part of the part-time was when they were not available and could not be reached to make good the warranty or the representations which they had made at the time they made the sale.

These things led to many difficulties. I point out that there are some 17,000 used car dealers and salesmen in this province, so that in recognizing the validity of the complaints, and looking to the end where the public interest would be best served—after all that is the only reason why this legislation exists, and why it is in being, to protect the public interest—and it arose through the conduct of that group of irresponsible and unscrupulous people who make it difficult for unsuspecting members of the public.

Similarly, a need for a lot and a garage, and a sign, and so on. Let me rephrase what the hon. member said of the need for an established premise and services facilities sufficient to be what I think are needed if we were to define a dealer.

I think he has got to have facilities. Without them, he is a fly-by-night. There are many situations where friends of service station owners will make a side deal, and you will see a car sitting on an attractive location such as a corner service station lot with a "for sale" sign on it. I must admit that some of those situations are legitimate. Some of them, however—and I would think probably the bulk of them—are not.

It is a deal made to give the appearance of legitimacy, or a *bona fide* private sale, when in fact the man is operating as a bit of a dealer. In the case of a car purchased from this type of person, when the complaints or defects suddenly develop a week or two weeks later, and the owner goes back to the place where he bought it and there is no salesman, he asks the service station operator about the fellow who sold the car—"You remember, you were there, you filled it with gas"—then the fellow says, "I do not know anything about that. He only rented parking space, and I have not seen him for two weeks. I think he came from some place 200 miles away." And there you are.

This is the problem, and I think that the policy is justified. Once again we find ourselves in a difficult position. The majority of vendors are responsible, decent citizens, but there is a high percentage factor of people who by the very nature of the transaction and the opportunity to conceal the true condition of the vehicle, or at least to give it the appearance of substance and the nature of a vehicle that could run very nicely for a couple of weeks, even though the vendor may know that there is something wrong with it. Then it gives out and the purchaser is a pretty unhappy fellow.

Now the questions of the hon. member were directed to these matters and, he said did not have any authority. Well, they have

developed out of the experience of the branch and the situations which have come to their knowledge are being acted upon as a matter of policy. I would not have any comment other than that the point that has been raised is a matter that is being taken into account in the revision of the legislation.

Mr. Breithaupt: I would assure the Minister that I would agree that policies have to be made in order that there is a general code for operation within this industry. The matter that I was most interested in was one perhaps of technicality. In other words, policies are quite distinctly different from regulations, and it might be better to use the word policies rather than a misleading terminology in the word regulations.

This, of course, has a very different connotation. I appreciate the Minister's answer to that point. The Minister had stated earlier in the session that, in order to extend the public protection to the purchase of both new as well as used motor vehicles, he was considering some changes in the name of of The Used Car Dealers Act to something along the lines of The Motor Vehicles Vendor and Salesman Act. I wonder if the Minister intends this legislation for the next term of the House?

Hon. Mr. Rowntree: We are still in the process, and I am afraid that the ultimate outcome of that will be available when we complete the revision of the legislation.

Mr. Breithaupt: There are certain protections which are given to the consumer under The Used Car Dealers Act. I wonder if the Minister has a comment when he compares these protections with those under section 18-1 of The Consumer Protection Act. In this area, as the hon. members are aware, there is the right to rescind certain executory contracts within two days. It appears to me that this section exists to be applied to the operations of door-to-door salesmen.

However, it may well be that the department is now applying this to any contract where a vendor solicits or negotiates or arranges for the signing of a buyer to an executory contract at a place other than the seller's permanent place of business. That is to say, if a purchaser signs a contract for the purchase of a motor vehicle at a place other than the dealer's permanent place of business and credit is involved—for example, at a finance company office or at the buyer's own home—then it may well be that the contract can be cancelled within two days, and the buyer may return the goods at the expense of the seller, whether it is in saleable condition or not.

I am wondering if the Minister would comment on the view as to whether the protection is sufficient under The Used Car Dealers Act, or whether it is the contention to continue the involvement under The Consumer Protection Act to used car sales.

Hon. Mr. Rowntree: That matter is apparently being discussed. The question is whether to leave the protective sections under both pieces of legislation or whether to involve this area of business under the one bill. Now, there are some very difficult practical problems that come out of that itinerant seller approach, particularly if there is another vehicle turned in. Some of the examples that have developed have given us a great deal of concern. But the problem invariably arises when a man makes a deal and turns his car in, and he is leaving that night for the prairies or the west coast.

Then, when the difficulties develop 1,500 miles from home, there is a very difficult set of circumstances to try and unravel, let alone the legalities and equities of the situation. It is not an easy matter. We are trying—with the information we have—to develop a set of procedures. Either by legislation or regulation we are trying to meet the situation.

Legislation is not good if it is so complicated that nobody knows what it is all about, much less that it exists. Some of these aspects of legislation that are clear and direct have a great appeal to me, particularly in an area such as you described. These are the problems that face all of us.

I might just add a word without prolonging this: In the type of situation I mentioned as being illustrative of many other similar situations, the dealer is in a very difficult position, too. I mean, let us not forget him. The responsible dealer who wants to honour his contract in a fair manner, can suddenly find himself having to honour something over which he has lost control and so on.

Mr. Breithaupt: Can the Minister tell me how many dealers are registered under The Used Car Dealers Act; and how many of these are classified as brokers?

When was the last broker registration granted? How many salesmen are registered under The Used Car Dealers Act? Are there any persons registered as salesmen to whom the selling of used vehicles could be considered a part-time job?

Hon. Mr. Rowntree: I would like to speak to the question of the broker. There is no such thing as a broker. He is either a used car dealer, or he is nothing. The practice had developed some years ago where a person could get this type of registration, albeit he was only a broker in that sense. So the practice of licensing a so-called broker developed. That policy was changed some considerable time ago, but there was not any named or specific provision.

Now a broker falls exactly into that category of situation of brokering automobiles. Is he a wholesale broker or is he dealing in individual cases under the umbrella of something? Unfortunately, some time ago the branch came to the firm conclusion that this was an undesirable area to continue to recognize, and today a broker would not be licensed as such.

Again, if he wants to qualify, have premises, be in business with something at stake himself and not put himself in the position of a fly-by-night—then he can be a used-car dealer and could operate in the wholesale market if he chose.

Now, registration of dealers in Ontario—3,440 dealers, and 10,775 salesmen, at the end of 1967. The other part had to do with part-time people? Well, I felt that I dealt with this—the part-time policies of this category of difficulty.

Mr. Breithaupt: Thank you, sir, there are a few questions I would like to ask you with respect to surety bonds under The Used Car Dealers Act. How many of the $5,000 dealer bonds have been forfeited up to date? How many of the $1,000 salesman bonds have been forfeited to date? What is the number of claims and the dollar amount involved against each category? How many claims have actually been paid, and the dollar amount in each category?

Mr. Chairman: The Minister has suggested that the member for Kitchener might send the question over, because there is some detail—

Hon. Mr. Rowntree: Here is a memo which might help us in this matter. In the three and a half years that bonding has been required under the Act, the approximate number of bonds which have been issued: Dealers approximately 5,000 bonds at $5,000 for a total coverage; salesmen approximately 20,000 bonds at $1,000 each.

Now the number of dealers' bonds forfeited in the period of the three years 1965, 1966 and 1967: 17 claims paid, $16,623; claims pending, $7,100; claims pending administrative expenses with respect to claims pending, $137; amount returned to the bonding company, $18,376; and the balance held for claims for return to the bonding company, $42,677. That is the total situation with respect to dealers.

Now for the same three-year period with respect to salesmen: Bonds forfeited, 6; the amount forfeited, $6,000; claims paid, none; administrative expenses with respect to pending claims, $370-odd; the balance held for claims or returns to the bonding company, $5,600.

Mr. Breithaupt: Could I put one suggestion to the Minister in this area of surety bonds? Where a bond forfeiture demand is placed with an insurance company registered under The Guarantee Companies Securities Act, would it not be possible for the government to accept the pledge of the company to pay any claims or expenses arising under the proceedings, instead of requiring the depositing of the amounts of money? The funds would appear to lay dormant and be unproductive for the two-year period, to await substantiation of claims as required by the Act. If the insurance company was able to provide some form of guarantee, I would, perhaps, suggest to the Minister that this might be a way of avoiding the loss of interest or income from that money from the various persons who are placing it with the government.

Finally, in view of the fact that many of the used car dealers are handling a substantial amount of money, has the Minister given any consideration to changing the amounts of the sureties? It would seem that for a very large dealership, or where four or five cars might well be larger than the $5,000 bond required for the dealer, or the $1,000 required for the salesman, these amounts may no longer be sufficient. I am wondering if any thought has been given to reviewing that portion of the Act?

Hon. Mr. Rowntree: Yes. I have asked for a review with respect to the sufficiency of the face value of the bond in relation to the risks that might be encountered.

Mr. Chairman: Anything further on registration examination?

The member for High Park.

Mr. M. Shulman (High Park): Mr. Chairman, there is a very serious and important matter which I wish to raise at this time.

The legislation of this particular department has left something to be desired as I

pointed out on a previous vote. But the errors have been errors of omission on the securities and on insurance, but under this particular vote there is a very serious error of commission which is costing this province untold millions of dollars in investment every year.

I was first alerted to this situation by a letter received by one of the largest real estate brokers in the world. I think that perhaps I might set the stage for my own comments by reading this letter which explains what the problem is to begin with.

Now let me say I am not going to give this broker's name, because he is breaking the law in order to continue to bring funds into this province. Many other brokers are not and those who are following the law strictly and are following this rather unfortunate Act, The Real Estate and Business Brokers Act, and keeping the money out of this province, are behaving presumably as the law wishes them to behave—but so much against the public interest.

Hon. Mr. Rowntree: I think in all fairness to the matter, as the responsible Minister, this is one way of presenting this situation. It is quite all right with me, but I certainly think it is totally unfair to the department and our officials to read material without identifying it. Apparently here is a situation where a man is operating illegally and has to accept it, is that the position? I gather this licensed operator is resident in Ontario?

Mr. Shulman: The Minister is misanticipating. This is a registered broker in Ontario. This is from a registered broker in Ontario. If the Minister will just be patient for a few minutes, Mr. Chairman, all will become clear to him.

Hon. Mr. Rowntree: I do not accept that remark. Quite frankly, you said you were trying to lay the background; I agree with you—let us lay the background. I think it is as fair for me as it is for you.

Mr. Shulman: Mr. Chairman, if the Minister will be patient, briefly, I think the problem will become obvious to everyone in this House.

First of all I would like to—

Mr. Chairman: Order, please! I think the Minister has suggested that perhaps the situation and the correspondence and the persons concerned should maybe be identified in order that the officials may deal with the matter. This would be preferable. However, if the member assures the House that he is going to lay the whole matter before us properly, proceed.

Mr. Shulman: I think, Mr. Chairman, you too will understand the situation completely if you will be patient for a few moments.

First I would like to read this letter which was received a few weeks ago and then I will make my comments on it:

Dear Doctor Shulman:

As you know we have our own offices in London and Madrid and representatives in Lisbon, Brussels, Säo Paulo, Rio de Janeiro, San Diego, Beirut, Lausanne, Geneva, La Granja, Frankfurt, Berlin, Hamburg, Paris and Boras.

The people working for us in these places are direct employees, independent brokers, truck companies, bankers, lawyers, industrialists, mutual fund agents, insurance agents, accountants, private rich people, one dentist, one doctor and one travel agent. Quite a variety. All are foreigners. All are getting paid, all trade and real estate in Ontario, even if most of them never come here.

Being foreigners and employed by us to trade in real estate contravenes paragraph 13, page 6 of the Act. We cannot register them here, and since they are not registered, they cannot trade in real estate —see paragraph 47, page 18. Nor can they be paid for their work—same paragraph.

On our sales record we are always omitting them. We do not show them, to avoid any explanations when from time to time our books are inspected by the registrar inspectors. Trade in real estate, according to the Act, section (k), means or includes conduction of negotiations directly or indirectly and further into the transaction. This is exactly what our people outside Canada are doing.

Yet a salesman, according to section 1, page 3, means a person engaged in trade in real estate. We are, because of this outdated Act, running our business on a hide-and-seek basis. Yet The Department of Development and Economics is spending millions a year to get foreign capital here.

We are also spending a lot of money in promoting our province. You saw our April brochure, it cost us $10,000, not to mention advertising in at least 10 countries every week. What do we get from our authorities for this?

We have to hide. Look at the vicious circle. If you trade in real estate you must be a registered salesman or a registered broker, otherwise, you cannot trade nor can you get paid. You can be a registered salesman if you are one year an Ontario resident; a broker if you are a salesman for at least a year registered as a salesman. The Act forbids us to pay commissions to anyone but a registered broker—paragraph 47, page 18.

What about a few million dollars we pay out to different banks for the clients they have supplied us within the last 10 years? You think that we would have any organization at all should we ask the various representatives of the banks to come and live here for a year so they could legally work for us, to leave their practice, their factory, businesses and so on? Baloney!

The Act should give us a free hand to engage anyone abroad, provided we are responsible for the deals made in Ontario. This way we could legally have our own office abroad as any shoemaker can today have theirs.

Sincerely.

Now, it is pretty obvious why I cannot give you the name of this particular broker, Mr. Chairman, but let me explain what the situation is, because as the Act—

Hon. Mr. Rowntree: Mr. Chairman, I should say to the hon. member that this whole thing involves payment of commissions, as I understand it and, therefore, incorporating these people who are the recipients of payments as such and on the basis of at least, if not in fact, qualifying as being part of the operation in Ontario.

Now, payment of commission to people outside of our jurisdiction involves a practical approach to the problem and to the nature of this whole business area. It is probable that in our amendments in the fall that this payment of commissions to people outside the province with respect to this area of operation will be incorporated in the legislation.

Mr. Shulman: I am glad to hear that, Mr. Chairman, because before making the remarks which I am about to make, I contacted The department of the registrar of real estate and business brokers because, frankly, I found it difficult to believe that this was the situation. But this is the situation. Now what has happened is as follows.

There are some hundreds of millions of dollars of investment money in the Middle East and in Europe which is prepared to go anywhere in the world where it can have a reasonable investment. A lot of it should come to Ontario, but it does not except a small portion illegally, and the reason it does not, is very simple.

The reason it does not is that the brokers and the banks who are responsible for investing that money, most of them are in the large financial centres of Europe, primarily London and Paris—refuse to allow any of those funds into Ontario because of this foolish Act, and this foolish Act does not allow those brokers or those banks to receive the commission on any of these millions of dollars which they invest.

The banks and the brokers over there are not in business except to make money. They are prepared to take a reasonable return, but they cannot get any return legally by allowing any of this money to be invested in Ontario. This, of course, has been going on now for 20 years.

It was not in my field. It was just brought to my attention a few weeks ago and I am delighted to hear the Minister is going to do something about it, because this should be of great importance to the Minister of Trade and Development who is spending a tremendous amount of time and money trying to bring the funds into Ontario, but because of the law, as it now sits, none of this money will come here.

Even if you change your law—

Hon. Mr. Rowntree: I do not think it is. I think your informant is wrong in a sense as to the effect of the law. The contract of European managers of money can be made in Zurich, Dusseldorf or wherever it may be, and it could be a legitimate transaction in the place or domicile of the transaction.

I do not see the necessary implication of it being an offence. I have no knowledge. I am interested in the observations of the hon. member about moneys not coming for that reason. I would question that.

Mr. Shulman: Well, let me give you a few examples, Mr. Chairman, just to explain.

There is a great deal of real estate money available from Switzerland. If that real estate money were to come here to Ontario to buy or build apartments, the transaction—the purchase of the land, the purchase of the apartment house as it may be—would have to occur in Ontario. As such, there has to be

an Ontario broker playing some part in the transaction.

He will receive the commission. But he may not legally give any portion of that commission to the broker on the other side who is representing the money in Switzerland, and for that reason, Swiss money has practically dried up coming into Ontario.

We had a little of it coming at first and then the brokers became very disillusioned because they just could not get their commissions.

There is one simple obvious type of transaction and type of investment which has dried up because of this Act, and I would like to suggest to the Minister that I have been in touch with—in addition to this department, in addition to this broker who is attempting to contravene the Act—I have been in touch with two financial houses in Zurich before coming to make this particular speech. They confirmed that they have found over past years that they just could not get a commission unless they were prepared to accept money under the table, and being large firms they were not prepared to do that. So they direct their funds to other jurisdictions.

I am glad you are all glad to hear that all these wonderful amendments are coming. Let us hope they come fast and that this particular aspect is cleaned up because this is a very serious matter, possibly as serious as the other matters which we have raised under this particular vote.

Mr. Chairman: Anything further under registration and examination?

The member for High Park.

Mr. Shulman: I have one other matter which is a minor matter that I would like to mention, Mr. Chairman.

The member for Kitchener mentioned something similar under the—

Hon. Mr. Rowntree: I do not think the hon. member would object to me making this comment. When he said earlier that he was going to deal with areas of commission I did not appreciate the full significance of the double-entendre at the time.

Mr. Shulman: Thank you, Mr. Minister, neither did I.

There is a minor matter here, but something similar was brought up by the member for Kitchener in relation to cars. This is in relation to real estate registration.

I received a complaint from a real estate broker in a small area of this province that he was a part-time real estate agent and that he had received a licence from the registrar under The Real Estate and Business Brokers Act allowing him to carry on as a real estate agent. But on his licence it says you may only practise in areas of less than 5,000 population—towns or villages of less than 5,000 population.

Well, he and I together went through this Act and went through the regulations, and there is nothing here that empowers a registrar to make such rules, unless we go to section 6(1) which reads as follows:

> The registrar may grant registration or renewal of registration to an applicant where the proposed registration is not against the public interest, and the registration may be subject to terms and conditions.

And that phrase "subject to terms and conditions" is the phrase that the registrar uses to make this rather odd condition in this and other real estates agents' licences.

I would submit to you, sir, that if there are to be such decisions, they should be in the regulations. I phoned the registrar about this and the lady I spoke to at that time said it is not in the regulations, it is office rules. Well now, I question whether or not the person who made this particular office rule had the right to make such an office rule.

Hon. Mr. Rowntree: It is like operating room procedures.

Mr. Shulman: Perhaps more important and a sort of a stupid side effect of this particular rule. This particular agent who came to see me happened to live in an area of less than 5,000 population, and there was no problem, until unfortunately the little town next door grew a little bit and they amalgamated. Suddenly he was living in a town of 12,000 population. Out of business! Cannot practise any more.

Well, I think the Minister will agree with me that there is a certain injustice in this particular funny office rule, and I should like to ask him that at least until such a rule, if we are to have such a rule, is to be put in the regulations, that he instruct the registrar that this particular office rule, in any case, should be rescinded or at least not enforced because I think it is terribly unfair. Does the Minister agree?

Hon. Mr. Rowntree: Frankly, yes.

Mr. Shulman: Will the Minister make that change?

Hon. Mr. Rowntree: Yes. How can a man be penalized by the progress and the advancement of time?

Mr. Shulman: Well, it happens. Will the Minister explain why we have this under-5,000 rule?

Hon. Mr. Rowntree: For 30 years the rule has been in effect in this province, and I suppose for 26 or 27 of those 30 years it was reasonable in its application but with this great economic expansion, it falls into the category of one of those things that has to be brought up to date. I will try and improve on the whole situation.

Mr. Chairman: Anything further on registration and examination?

Mr. J. Renwick (Riverdale): Mr. Chairman, I have just two very brief points on the matter referred to earlier by the member for Downsview. The first question relates to the Toronto real estate board and similar boards throughout the province of Ontario. It would seem to me, in the experience I had in dealing with the registrar on a question which in any event worked out quite well and I need not refer to it, that it should become perfectly clear that if the government licenses real estate or business brokers, that that real estate or business broker should be entitled to membership automatically in an association such as the Toronto real estate board.

I think the Toronto real estate board performs a very useful function, which indeed the government itself may not be in a position to perform insofar as the quality and standard of the services which is provided to people who are using the service of real estate and business brokers. But it would seem to me that the starting point must be that if a person has been licensed under the laws of the province, that he should be entitled to membership in such an association. Then, so long as he abides by the rulings of that association, entitled to continue as a member of it, subject, of course, to whatever their local rules, internal rules, are as to his continued membership. But I do not think that the government should be in a position where it is licensing people as real estate salesmen or real estate brokers only to find that the standard imposed by the Toronto real estate board, which by and large has a monopoly, is higher.

I agree you can earn a living in Toronto outside the real estate board, but most people who want to engage in that business consider it to be a substantial advantage to them to be a member of the Toronto real estate board. Indeed, if they are not members in some areas it would reflect on them.

I would therefore like the Minister's assurance or undertaking that this particular matter would be dealt with the Toronto real estate board for the purpose of insuring that anyone whom the government licenses is entitled to become a member. Then, of course, his continued membership in that board would depend on his compliance with the internal rules of that association.

Hon. Mr. Rowntree: I am unable to give that assurance. I would want to think this matter over very carefully; we would want to look at the association we are talking about and we would want to see exactly what functions they occupy and what responsibility, if any, public responsibility, has been imposed or delegated to them. If that certain board fell into that category, and after all you are talking about a local board—there is an Ontario real estate board which is the senior body, although the Toronto real estate board is quite important—there would be two possible categories, at least *prima facie* there would be.

One, it is a voluntary association and the other is one where they perform an official function. If they have an official function and exercise in effect government powers, then I think the proposition would be valid and every licensed operator should be entitled and should have membership in that board. On the other hand, if it is a voluntary situation, and it has relatively few or no offiicial responsibility then, in that latter category, I find it difficult to agree with the proposition.

I could not give a yes or no to the proposition that the hon. member put to me. It was a pretty blunt and direct one, would I give this undertaking to the House. In all honesty I have to say no, but I am still interested and I get the spirit of the proposition. I would like to look into it a little bit and see just where these groups stand *viz-à-viz* our department and the government and the people in total.

Mr. J. Renwick: Mr. Chairman, what I wanted to ask the Minister was to undertake to enter into some kind of discussion about it. He makes the distinction between a voluntary association and one which has some quasi-official status. I make a different distinction. The distinction I make is one between a body which, while voluntary in concept and in appearance, in fact exercises a substantial degree of control over the operations within

a particular geographic area, which in the case of the Toronto real estate board verges on a monopoly position. And where, if a person is licensed by the government of the province of Ontario, he should not be excluded from membership in that body which provides a status, provides services and facilities from which otherwise he would be excluded. It is that distinction which is of concern to me.

My one other point, Mr. Chairman, is this question of the bailiff to which the member for Downsview referred. I am glad the Minister is going to look into the matter. We had asked when the department was originally set up, in the debate on that, that The Bailiffs Act be left with the Attorney General on the ground that it was an area in which, strangely enough in our society, a person is allowed to engage in a form of self-help rather than going through legal procedures or to take the law into his own hands.

I just want to say that I totally agree with what the member for Downsview has to say about it. There is no place in our society for this kind of personal agent to be appointed who, under the guise of authority, goes in and carries out certain functions or the enforcement of certain legal rights which the person himself is not prepared to do. I am particularly concerned with the tenant-landlord relationshp, and the right of distress, where I think there is substantial abuse which it is difficult either to prove or persuade people that there is abuse of that kind. Indeed, if the Minister is giving consideration to it, if he is not persuaded that it should be the function of The Attorney General's Department as part of the law enforcement procedure and part of that control, then I think he should seriously consider changing the designation to landlord's agent or personal agent, and eliminating the word bailiff which carries the connotation of an official statute, also eliminating the red seal from the documents which they use.

Mr. G. Bukator (Niagara Falls): Mr. Chairman, as a real estate broker, I happen to be a member of a real estate board. I cannot quite understand what the hon. member who just spoke is leading up to. A man can be quite intelligent and capable of writing his exam and getting his real estate licence to be a broker; that I can understand and I think that it is quite proper that he should have it. But I think that a board who police their own association, such as the real estate board on the Niagara peninsula that I belong to, should have a right to weed out the undesirable brokers. Because a man has lived up to the laws of the country to become a broker does not prove that he would be an asset to the association, any more than the law society would accept every lawyer that comes along. I would not think that they have to. Maybe if he becomes undesirable, they give him a hearing and put him out. I personally do not think that any broker should come into a board unless he meets the rules and requirements of that particular board, or until the directors of that particular board feel that he comes up to the standards, or until his code of ethics are such that they will accept him.

Hon. Mr. Rowntree: There could be higher standards.

Mr. Bukator: Oh yes, as a matter of fact, when I first got my licence, they would not accept me. I do not think that I was too concerned about it. Time went on, I made my sales, and went about my business. Finally I put in my application, and after review they decided that I would be a good member for that particular board. If I would not have come up to their standards, they would not have had me. I think that you should take a good look at that before you draft legislation that anyone who gets to be a broker will automatically belong to the board.

Mr. Chairman: Item agreed to.

On the cemeteries branch.

Mr. E. R. Good (Waterloo North): Mr. Chairman, on this item, I would first like to comment on the transfer of the cemeteries branch from The Department of Health to The Department of Financial and Commercial Affairs. I would ask the Minister to explain for my own interest and information why The Cemeteries Act has not been amended to say that the Minister of Financial and Commercial Affairs rather than the Minister means the Minister of Health; and the department means The Department of Health; and all the plans and regulations should be sent to that department?

According to his lead-off speech, he said that the transfer was approved by order in council. I would be interested to know whether amendments to The Cemeteries Act are required to complete this transfer, and whether they would be forthcoming?

I would certainly like to compliment the government and say that this is a good move, to move the trust funds of the cemetery department—the pre-need insurance fund and the perpetual care fund—from The Depart-

ment of Health to The Department of Financial and Commercial Affairs. But I can see no place at all in this department for the remainder of the operation and the carrying out of The Cemeteries Act with these two trust funds under the department of consumer protection.

An hon. member: He is very sharp!

Mr. Good: With the transferring of these two trust funds under consumer affairs, I would also like to suggest that the trust funds under The Prepaid Funeral Service Act should also be transferred from The Attorney General's Department to this department, under the consumer protection. I think that this would be a move in the right direction, and would bring the three trust funds that are involved with prepaid funeral services and prepaid cemetery services and the perpetual care funds of the cemeteries under The Department of Financial and Commercial Affairs.

Getting back to the other point, I cannot comprehend how the remainder of the cemetery operation belongs in this branch. I would suggest respectfully that The Department of Municipal Affairs is the department concerned with the operation of cemeteries, as they deal with such matters as zoning and drainage, and lot lines—side yards, boundaries and proximity of graves to residential areas. Coupled with this is the fact that a great many of our cemeteries are operated by municipalities, and you have a direct connection with the municipality.

So, I would also request that you give some consideration to dividing this operation so as to keep the two trust funds under this department, and The Cemeteries Act itself should be administered by The Department of Municipal Affairs.

The three functions, of course, of the overseeing of the Act deal mainly with the approval of plans and regulations and the fee and scale of tariffs, and the studying and setting up of a perpetual care fund. I would be interested to have the Minister explain later at what intervals and by whom the perpetual care funds are inspected, and what procedures are used to insure that they are being held properly and invested in the proper places.

Having served for a number of years on a cemetery board, I must say that I was greatly impressed by the thoroughness of this department in maintaining regulations, and the difficulty there was involved in getting plans approved. I said difficulty, but I meant time involved, which led one to believe that they were doing a thorough operation before they would allow additions to existing cemeteries, or the establishment of new ones, or the change of tariffs. This I find now, though, is prevalent only in larger cities and in the areas of southern Ontario.

It was drawn to my attention some time ago that in other parts of Ontario, a great deal still has to be done to bring our cemeteries up to the standard which is laid down in this Act. In the short time that this cemetery section has been under this new department, they have been busy investigating the complaints of people on Manitoulin Island, that only three cemeteries in that area out of 18 have any official plans. The cemetery perpetual care funds are in operation in only two of the cemeteries, and in general I think that this condition exists in many of the smaller communities across the province.

Consequently, I would hope that this department will begin to expand their operation to include the operations of cemeteries in smaller communities. People should not have to take it upon themselves to complain to this department to bring representatives into this area to investigate the situation where there are no perpetual funds in operation in a cemetery.

People do not know, when they pay for a lot, what is happening to the money. In many instances it perhaps goes into the general operation of the cemetery, and although this section of perpetual care and necessity has been in the Act for a good many years, there are still a good number of cemeteries which do not have it.

Now, I do not think that it should be the intention to create an immediate hardship for many of the smaller cemeteries to try to bring them in line with the Act, but I believe that a system can be worked out, and I would like to just expand this a little further where if this section of the operation is put under The Department of Municipal Affairs.

There are organized municipalities, townships and counties, who along with the other section of the Act, section 50, are responsible for the maintaining of abandoned cemeteries. They could start a systematic survey of all cemeteries in their areas, and report to this department, probably at very little, if any, cost to the department, what the condition of these smaller cemeteries are in the rural areas. Many of them, of course, have been abandoned and are not being used. The Act says that the municipality in which these

cemeteries exist can be held responsible for the maintenance of them.

I would also like to ask and have an answer—does this word maintenance include restoration? My experience has been that most municipalities expect some church group or some other outside group to restore the cemetery to a desirable condition and then the municipality will maintain it. I feel that if a system were launched whereby the actual Cemeteries Act was put under the jurisdiction of The Department of Municipal Affairs, through the various reeves of townships in remote areas, and county councillors, a complete survey could be made.

These people, by gentle persuasion, could be shown how their operation could be improved, and eventually in a much shorter period of time they could be brought under the direct operation of The Cemeteries Act. Everyone in those areas, I am sure, would be pleased to see this happen.

Hon. Mr. Rowntree: The hon. member has raised the question as to why this legislation is in our department. Now, frequently, there are many subject areas in pieces of legislation which involve more than one department of government. And one would try, from government's point of view, to put the legislation in the most appropriate department even though there are other departments which would have an interest, I think that, in the current situation it was determined that on balance, having in mind the business factors involved, with respect to the management and the administration of the cemetery which has been indicated, having to do with what they are doing with maintenance and things of that sort. But, particularly having in mind the aspect of perpetual care funds and so on. But, on balance, it was felt that this was in the area of consumer or financial affairs.

Now, as to having some of these things in the area of The Department of Municipal Affairs, we are able to service this, as I see it, and we have only had this matter since the first of January of this year. I would like the operation to proceed for at least a year and maybe we will be able to come to some conclusions before that time when I can see what is needed. But, already, we have had numerous representations from small cemetery operators, who find it difficult and confusing when they thought that they had to deal with two departments. This view was abroad, that they might have to deal with two departments. I only make that observation in reference to the comments of the hon. member.

Now, as far as educating, is this not what we are really talking about—educating and providing some leadership for the operators of smaller cemeteries or cemeteries in the outlying areas with respect to handling their operations efficiently and effectively? There is a great need for that—of course there is. But you do not go at it with a mallet or a hammer. Because the whole subject area does not lend itself to that. It requires time, it requires education.

I gather from the comments of the member that I think we are on all fours and in agreement on this, the approach to this matter. I think I could simply sum this up by saying that when we come back together the next time, I hope to be able to make a report in this area that would be helpful and reassuring to the House.

Mr. Good: I would just like to comment a little further. This section of the Act regarding the mandatory perpetual care funds on the sale of a lot, I think it is 35 per cent minimum—it used to be anyway—has been in effect for twenty years. On Manitoulin Island, their first inspection was made some 12 to 14 years ago and things are moving very slowly.

Hon. Mr. Rowntree: They have been in effect since 1955.

Mr. Good: Since 1955; all right, I am sorry, 18 years. I stand corrected.

An hon. member: It is 13 years.

Mr. Good: I am sorry, 13 years.

Hon. Mr. Rowntree: The year after it came into effect there was an inspection.

Mr. Good: Now, my point is this. The concern is here. Your cemetery department does not have the staff to go out into all the areas of the province to bring in information on these cemeteries so they are just neglected. Nothing is being done about them. My thought is simply this: There are people in these areas, municipal people, county and township people, who could give you this information probably in a day or two. They could get this information to you as to what cemeteries are in these areas, and in what stage of development they are, regarding your Cemeteries Act. And I do not think you have to—

Hon. Mr. Rowntree: If I might anticipate the hon. member. Having in mind the need which he points out, and the facility with which information could be secured, and the necessary desirable steps taken, we received

approval of an increase of six in the complement, to effect exactly what we are both talking about.

Mr. Good: Thank you. Well, my only other point is this, Mr. Chairman. I feel that a lot of this could be done on a local level rather than sending people out from Toronto. I think any reeve in a township in a day could tell you what cemeteries are in his township, who the chairman of the board is, if there is a board, or what cemeteries have been abandoned. I do not think you have to build up a big staff in Toronto to look after these small areas in that regard. That is my other point.

Mr. Shulman: Mr. Chairman, if The Cemeteries Act is now under this Minister, would the Minister inform me, does he now control the regulations under cremations and relating to cremations?

Hon. Mr. Rowntree: The answer is "yes", I am informed.

Mr. Shulman: Then, in that case, I would like to raise a matter which I have raised with the Attorney General (Mr. Wishart) quite unsuccessfully for some two years, and that has to do with waste of money under cremations.

It can be cleared up with a very simple amendment if the Minister would consider such an amendment. The waste of money is that involved in duplicate investigations. As I mentioned earlier to the Attorney General, every death that requires a cremation has to have a certificate filled out, signed by a coroner. Some 25 per cent of these deaths have already been investigated by a coroner in the routine coroner investigation. The second investigation is unnecessary and completely wasteful. I would like to suggest to the Minister that he bring in an amendment to this Act which states very simply that the requirements for a coroner to sign a cremation form is not necessary if the coroner has already investigated and signed the regular coroner's form. Would the Minister be agreeable to this?

Hon. Mr. Rowntree: I will have a look at that; I will be glad to.

Vote 704 agreed to.

Mr. Chairman: This completes the estimates of The Department of Financial and Commercial Affairs.

Hon. Mr. Rowntree: Mr. Chairman, I have a statement to make which I would like to read into the record having to do with government insurance. I undertook to make this statement at this time several weeks ago.

The statement is as follows:

The Prime Minister, in his statement to this House on January 11, 1963, provided considerable detail regarding the mechanics of police and government insurance. Generally the same procedure is followed today.

The responsibility for government insurance rests with the committee of the Cabinet. They are assisted by a secretary who maintains the necessary records and receives requests for insurance from the various departments and agencies. In addition the secretary acts as liaison officer with the insurance advisory committee.

The role of the advisory committee has not changed over the years. This committee, composed of knowledgeable people from industry, at the request of the Cabinet committee, investigates and advises on the type, scope and cost of the insurance request. Some policies of insurance have been with named companies for many years. However, when placing a new insurance, all interested companies are asked to quote on the coverage offered.

It is not possible to make a short, all-inclusive statement of government policy regarding what is insured by the industry and where we are, in effect, self-insured, since our policy is necessarily different for each type of insurance required. For example, an entirely different rule must apply when dealing with fire insurance as compared with liability insurance.

With regard to fire insurance the government is self-insured, with the exception of the main Parliament buildings and Osgoode hall. The main Parliament building and its contents are covered in the amount of $12 million, with 36 insurance companies, by subscription. Osgoode hall is covered in the amount of $2,330,000 with seven insurance companies. The premium paid for fire insurance on these buildings is $55,800 for a three-year period.

Automobile legal liability insurance is carried on all government owned vehicles, the insurance property damage plus bodily injury in the amount of $500,000 inclusive for any one accident. Insurance is not carried covering damage to government-owned vehicles. With the exception of the Ontario Provincial Police vehicles, this insurance is administered for all departments and agencies by The Department of Highways.

In 1967, a total of 7,509 vehicles were

covered at a premium cost of $167,428. The premium is, of course, based on claims experience. In the past five years, premiums were paid in the amount of $867,800, and the insurance company paid claims in the amount of $621,400 The five-year claims experience averages 71.6 per cent. Now this insurance has been carried for the past 32 years with the Dominion of Canada General Insurance Company, and the commission paid has recently been reduced, I understand, from 10 to 5 per cent.

I urge everyone to hear me at this point. You will recall that I said the five-year claims experience on government vehicles averages 71.6 per cent. So I continue: The insurance carried on the Ontario Provincial Police vehicles is similar to the policy carried on all other government vehicles. The claims experience is also 71.6 per cent and this, of course, seems such an unusual coincidence that the matter has been checked back arithmetically and every other way, and they—both groupings—come to the same insurance percentage factor of 71.6.

In addition to the insurance carried on government-owned vehicles, the province carries PL and PD insurance on employee-owned vehicles operated by the employee on government business. This is in addition to the 50,000 PL and PD insurance required to be carried by the employee prior to being paid mileage rates for the use of their vehicles.

The policy is carried by the province to cover claims in excess of that carried or covered by the employee. This policy is also with the Dominion of Canada General Insurance Company, in the amount of $500,000 inclusive, and the premium in 1967 was $12,624.

Mr. Singer: I bet you have not got 71 per cent on that one.

Hon. Mr. Rowntree: I have not. I do not have that factor. I can get it.

Mr. Singer: That is down to about 3 per cent.

Hon. Mr. Rowntree: Could be, but it could also be our premiums are still in the right proportion.

The province carries a general liability policy which provides blanket coverage for legal liability as imposed by law arising out of injury to the persons and damage to property in connection with all buildings and premises adjacent thereto. Vested in Her Majesty the Queen in the right of the province of Ontario, by the Ministers of the departments of the government of Ontario, and recreation areas under the jurisdiction of The Department of Lands and Forests with limits of $500,000 inclusive.

At the present time there are a number of small liability policies covering specialized items—for example, radio towers, swimming pools, water craft, and so on. These policies are now being moved into the main general liability policy mentioned above.

There are however, some specialized policies that are of interest. For example: highways and road liability covering liability arising out of the maintenance, construction, repair and resurfacing of the King's highways, and secondary roads assumed by The Department of Highways. This policy was originated in 1937, and has remained with the Pearl Insurance Company for an amount of $500,000 cover, with the premium in 1967 being some $97,932.

Now highways and the GO-transit train involves a policy which is carried by two companies in the amount of $5 million. The premium in 1967 was $85,795. There is a $500,000 deductible clause in this policy.

It is not the intention to take the time in this House providing details of all insurance carried by the province. However, the detail I have provided covers some of the larger policies that I consider necessary to give a picture of the government policy in this regard.

Now in addition to the coverage already mentioned, the province is insured for buildings under construction with respect to The Department of Public Works. Fidelity bonds with respect to government employees. Burglary and robbery coverage with respect to Treasury Department and Department of Transport officials. Ferries and their operation and The Department of Highways.

Aviation coverage with respect to The Department of Lands and Forests and a few miscellaneous items including registered mail, boilers and plate glass.

Mr. Singer: Mr. Chairman, there is nothing in this statement that the Minister has read that gives me any reason to believe that the government could not do the job more efficiently as a self insurer. I suppose the Minister will say that he was not presenting arguments in his statement—he was merely giving us the facts. But a couple of times during the course of the statement there were expressions that this has gone on for 30 years, 35 years, 37 years and so on.

It seems to me that a corporation that operates a business in the amount of—well there are no totals on this resolution, $3.5 billion a year, certainly—has sufficient assets available to it to be its own insurer, sir. The totals of premiums paid did not emerge from the Minister's statement. I do not know whether he has them or not, but it would seem to me to run to the extent of several million dollars a year in any event when you add up.

Well, certainly more than two. How many? You have the statement there. It is difficult to follow a multi-page statement and come up with an instant figure.

The Minister's guess is $1,250,000. In any event we are spending $1,250,000 a year for insurance premiums. The highest ratio of claims against premiums—or payments by the insurer against the premiums collected—is 71 per cent. Well, is there any reason why the province of Ontario should not save that 30 per cent? It seems to me you have had enough experience. Both the figures in the two highest-paying departments are five-year figures. You have had enough experience there to recognize the insurers have a nice profit on the strength of the government of the province of Ontario's business. And therefore, there is no reason at all why an intelligent plan of establishing an Ontario government insurance fund should not be adopted. It would be my thought that you should put to work immediately a group of your best financial advisors and the people most knowledgeable about insurance who will lay out a programme for you as to how, over a period of three, four, five or six years, you can establish an Ontario government insurance fund.

I would not suggest that you drop all the insurance tomorrow. But I would think within the budgeterial limitations a substantial sum—say $100,000, $200,000 or $500,000 a year—could be set aside for an insurance fund. As that fund builds up, you reduce the amount of privately-placed insurance. There is no reason at all, in my opinion, why we cannot be self insurers—as the federal government is, as the CNR and as are many of the big corporations.

This is an old-fashioned programme. Certain companies have benefitted from it for a long period of years. I am not suggesting that anyone is putting anything over. It is just a long time system that I think has outlived its usefulness in the present context. I would urge upon the government that the province of Ontario become its own insurers and it can effect a substantial saving for the taxpayers and the people of Ontario.

Mr. Shulman: From the figures that have been presented by the hon. Minister, it would appear that the province would have saved some $75,000-odd every year for the past five years at least, if they had not been carrying any insurance—if they had been carrying their own insurance. Sometimes when I stand here, Mr. Chairman, I think I am in Lewis Carroll's wonderland and looking backwards through the keyhole, because we seem to have forgotten the purpose of insurance.

As I understand insurance, it is to spread the risk so that an individual does not have a great financial disaster. And what in the world this government or any other government is doing carrying insurance is beyond me.

I would like to go a lot further than the member for Downsview because as of today we should drop all our insurance because certainly we already have spread the risk among all the people of Ontario. To ask an insurance company, for the sake of giving them $750,000 every year—and for no other purpose as far as I can see—to carry this risk instead of the people of Ontario, is just sheer foolishness. There is no need for any government to carry insurance.

We, as the people of Ontario, would save all this money. It has been proven by the figures just presented by the Minister, we have nothing to gain by continuing it whatsoever. The insurance companies set their rates at a sufficient level so that they can cover the risk, plus make a reasonable profit. Why in the world we are prepared to give them this reasonable profit is beyond me. We do not need them. They are serving no purpose whatsoever. Let me suggest to the Minister that he give a very good second thought to the whole insurance policy because it is so wrong and it is foolishly wrong. There is no sense to it whatsoever.

We go to other jurisdictions. I would be glad to give him examples who would laugh if you said you carried insurance, because they do not carry their insurance because they do not need insurance and we do not need insurance.

Now there are specific cases here, under vote 906—the—

Mr. J. H. White (London South): I bet their costs are higher—

Mr. Shulman: As usual, Mr. Chairman, the member for London South is wrong in his

interjections. I would hope that his facts would be correct occasionally. This is incorrect.

Mr. White: It would be a terrific temptation, for a government to give preferential treatment to some.

Mr. Shulman: Mr. Chairman, for the member to suggests that the costs will be higher when we eliminate a $750,000 insurance company profit every year is just more Lewis Carroll wonderland. It just does not make sense. We can go back to vote 906 where this matter first came up, and which was preferred to be discussed under this vote, where $85,000 was being spent on liability insurance. This is one of the more obvious cases, but as we go down case after case the insurance companies are not foolish. They set their rate on a realistic business and they are selling us a commodity which we do not need. Perhaps this should have been discussed under consumer protection, because the consumers of Ontario, under this particular expenditure, are being taken and once again, in brief—

Mr. White: Why do enormous corporations not self-insure?

Mr. Shulman: Once again in brief, please reconsider. It was a silly mistake made 30 years ago and has been carried on because it was there. It is time we took a second look at it and dropped it in total.

Mr. White: Why do enormous private corporations not self-insure?

Hon. Mr. Rowntree: I would just like to speak to the observations which have been made.

Specifically, I would like to refer to the GO transit and the insurance of railways. Now that is, having in mind the nature of the risk and the assets which are insured, high capital assets—if there was a disaster; a train unit runs into many millions of dollars and the insurance is carried on that basis with respect to railways, I think it is. I just make that comment that to me it is good business.

Some reference has been made to the question of $750,000. I cannot accept that figure. It is an arbitrary figure picked out of the air. My own experience in this matter since I have been concerned with it, is for the past eight or nine months, as the renewals come up we have a close look at them and raise the claims record for a five-year period before. We are coming almost to the end of our study in this matter. I would have to say this, on the aspect of the government, in, say, automobile insurance.

Now we are not talking about the theory of automobile insurance that we have talked about on other occasions. This is another subject matter and we are talking now as the insured, the owners. It is my view that in that type of claim that comes up if it is healthy and a desirable thing to have an outside body or an independent intermediary to be in a position to settle these claims.

The cost, and when we talk about whatever profit figure is or whatever the difference is between the 100 per cent of the premium and the lost ratio would be—I do not want to get into an argument about this—but it would at least be partly, if not all, picked up. It would be to a greater or lesser degree picked up by our own costs of administration. But the greater advantage, and I think this is important, is in having an intermediary supply the service facility of processing and settling these claims.

Mr. Singer: You could still hire independent adjusters.

Hon. Mr. Rowntree: Oh, we could. What are we doing now, and I hope that in a few months when this study is complete that I am going to be able to say to you that is all we are buying in the market, the service of an independent—

Mr. Singer: That is what we are asking you to do.

Hon. Mr. Rowntree: And that is what I am hoping—

Mr. Singer: That is what I asked you to do many years ago.

Hon. Mr. Rowntree: You did not talk to me. You were not here 10 years ago.

Mr. Singer: If not you, your predecessor.

Hon. Mr. Rowntree: However, you are getting off the thing—now that I have come up with a good answer you are jumping. I regard this insurance as being in a most desirable position when we get the premium rates down so that we are buying the service facility, which would be the same thing—maybe in other words—that you are talking about.

Mr. Shulman: I am hearing good answers from the Minister; I am delighted, on this particular vote. But on three minor points he mentioned—the $750,000 which I plucked out of the air—as he said—and perhaps I

should explain to him it is not quite plucked out of the air. What was the total figure spent in insurance by this province last year? Approximately.

Hon. Mr. Rowntree: I have not got that figure.

Mr. Shulman: Was it approximately $2 million?

Hon. Mr. Rowntree: No. I said I thought it was about $1,250,000.

Mr. Shulman: The figures, as I have added them up out of the estimates, came to just under $2 million. If I am wrong, I stand to be corrected but the figure of $750,000 came from the 71.6 per cent lost ratio; the 29 per cent amounts to $740,000 per year so the figure was not quite plucked out of the air—it was plucked out of the figures. I just wanted to mention that to the Minister.

Secondly, in relation to GO transit, we have $500,000 deductible. In other words, if there is an accident the province pays the first $500,000 of damages. Now whether or not this is good business is a matter for some—

Hon. Mr. Rowntree: That is catastrophe insurance. We are talking in figures of the whole train and a train load of cargo or railway going over an embankment where there would be $50 million of claims or such.

Mr. Shulman: We are paying $85,000 a year for that—

Hon. Mr. Rowntree: That is right.

Mr. Shulman: And it will not be too many years before you will have a fund that will be able to carry any catastrophe that comes along, yet instead of giving it to an insurance company you put it in a bank.

Hon. Mr. Rowntree: The figure I have here is $1,153,187.

Mr. Shulman: Does that cover all insurance paid out by all government departments?

Hon. Mr. Rowntree: Yes.

Mr. Shulman: Well, that is not so.

Hon. Mr. Rowntree: It does not include certain special agencies which do not come within my ambit but I will give you the list it does include. Agriculture and Food $1,000 —we will leave out the odd figures—Attorney General's Department, $152,700; Education, $280; Trade and Development, $76,000; Health, $3,000; Highways, $453,000; Labour, $406; Lands and Forests, $26,600; Mines, $6,900; Public Works, including the building projects, $137,600; Correctional Services, $45; Tourism and Information, $3,900; Transport, $21,800; Treasury, $70,700; and water resources commission, $198,000; for a total of $1,153,187.38.

Mr. Shulman: On these particular figures that are presented here, there is a difference of some $330,000 between what the province received in payments under this insurance and what they paid out. So there is $330,000 each year that would be in the coffers, in addition to which the Minister has himself said there are certain items of insurance which do not come under his department. So we are not going to be too far out in my $750,000 figure. We have $330,000 here to start with, and this is money that could sit in the Treasury.

The other matter which the Minister mentioned was the cost of administration. Again I refer him to the handbook put out by his own department showing the profits made by the insurance companies over and above the cost of payments to the insurers, administration, commissions. These insurance companies are making a very substantial profit. Now, admittedly—may I just finish, please?

Hon. Mr. Rowntree: Mr. Chairman, I think there is a comment in these circumstances that the hon. member would want and that is—and I do not want to go into this other than to say this one sentence—that the premiums and the cost of insurance which we buy is on such a favourable basis that I am almost able to say we are buying a service.

Mr. Shulman: Mr. Chairman, unfortunately the statement made by the Minister and the profit pictures shown by the insurance companies do not quite jibe.

Hon. Mr. Rowntree: My statement, as I just said, showed very favourable; a favourable rate.

Mr. Shulman: Agreed! The Minister is buying insurance, probably at a more favourable rate than he or I could buy it as an individual, but the insurance companies are still making a substantial profit as shown by the figures presented by the Minister. I would like to suggest to the Minister that ultimately he should do as he just said a few minutes ago and aim at buying a service. And I would suggest he can buy the service just as cheaply as the insurance company can buy that service, that is, the service of adjustors and investigators.

I see no reason why government should be any more wasteful than insurance companies. At the end of that time, the extra moneys, the profits, will be in the Treasury. I think if the Minister accepts that basic premise; we have no disagreement on this point.

Hon. Mr. Rowntree: Well, Mr. Chairman, that concludes the estimates of The Department of Financial and Commercial Affairs. Thank you.

ESTIMATES, DEPARTMENT OF THE PRIME MINISTER

Hon. J. P. Robarts (Prime Minister): I am not going to make any preliminary statement.

On vote 1501.

Mr. Chairman: Shall the estimates of The Department of the Prime Minister carry?

The leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, I wanted to make some very brief comments about one or two items that I think would be apropos under this particular vote. The Prime Minister has the responsibility for ordering the business of the House, and this may be the last opportunity I will have to make some remarks about that before the end of the session.

I well recall bringing to the attention of the House on a motion for the appointment of committees many months ago the need for some reform in our procedures and rules. I think the government's response was that it was the same old speech. Perhaps it was, and yet I believe this session, more than any other, has proved that we do require the reform of our procedures and our rules to some significant extent.

Without commenting in detail on the session, we did get off to a late start for reasons that are quite understandable. The government's legislation was slow in coming before us, and the Prime Minister has the full responsibility for that, of course, since eventually I would presume he would have to put down some barrier beyond which new legislation would not be available.

I assume he did this since we have not received the legislation on new expropriation procedures and one or two other smaller items that had been predicted.

There has been lengthy debate on many subjects, and in this regard, Mr. Chairman, I feel that we on all sides owe you a great deal of gratitude for the way in which you have conducted our affairs. This, in fact, may be out of order, but if you will permit me to say before you reach for your gavel, I have been very sympathetic to the fact that you have had to pay close attention to all of the points that were raised, whereas not all of us as honourable members have had to follow the debate that closely. You have never been able to predict when some minor point might blossom out into some major point of order, and I think that your knowledge of the rules, which is extensive certainly by now, and your good humour and fairness have served us all very well on all sides of the House.

I have said many times that our procedures here which are ordered, of course, by the Prime Minister, are not as efficient as they should be. I have been thinking about that very carefully over some of the longer sessions, and I have come to the conclusion that while we can improve our efficiency, this must, of course, not be our first goal.

Our goal, of course, is to provide a forum here so that members on all sides can put before the House their views, take part in as full a measure as is possible in the proper discussion of the affairs of the province and particularly the programmes put before us by the administration.

Now, there has been some indication that the Clerk of the House in his continuing responsibilities is undertaking a survey and a review of our rules, bringing them up to date with more recent precedents, many of which are very important, particularly the ones having to do with the rules of *sub judice* and so on. But I feel quite strongly that these rules and a reformation of them by the Clerk must in no way be accepted by the House unless we have some sort of a committee that has an opportunity to sit down with our experts and see that they apply as we would all wish; that they apply to the business that we must undertake once again within a very few months.

I think the decision that must be accepted on all sides is that we are now ripe for such a review; that we have the expert advice available for us. I have not consulted with the Clerk in the extent to which his review of Mr. A. C. Lewis' book of order has proceeded, but surely it is within range of being completed.

I would hope that a committee of the House, a committee of some breadth, would be called upon by the government, perhaps

under the direction of Mr. Speaker himself, to undertake such a review.

The Prime Minister indicated in this House some months ago—I do not remember the specific occasion—that surely he and the leader of the Opposition and the leader of the New Democratic Party were the ones who would have the prime responsibility for any review of the rules. As a matter of fact, during this session, there have been two or three occasions, quite useful occasions in my view, where we have been able to make some changes to meet the requirements as they changed.

But I believe that for the long haul this is inadequate; that we must have some kind of a committee that will look to the procedures in the House and bring forward recommendations that we can enact as the rules of the House, so that our deliberations will be more effectively governed in the sessions that lie ahead.

As the Prime Minister has indicated in his comments to the House, he expects on a unilateral basis to make some changes that will make the business more efficient. We are not going to comment on those, of course, until we see what his proposals are. I might make a prediction about them now, but I suppose we might as well wait until that great event comes forward.

But surely, if we are going to move forward with what all of us hope will be an improvement in our system here, it should be by way of some kind of a committee looking into our rules and procedures, that can improve some of these specific things that have given us trouble.

I think personally of the rules governing matters of urgent public importance, which I feel are completely inadequate. The question period has changed during this session considerably. The Prime Minister has indicated that he does not feel that it is too time consuming, and I would agree with him, and yet there is maybe some better approach involving matters without notice before the administration that would improve the situation considerably.

The thing that most of us would agree on, surely, is that our consideration of the estimates can be improved. My views on this are well known. I believe that they should be considered in committee of the House, by which the advisors to the Ministers on matters which do not pertain to policy can express their views without having to speak through the Minister on each occasion.

There are difficulties associated with this, but I would hope that such a committee would not be set up without careful planning, so that it would work in the interest of the House in general, so that information can be made public, and that in the fulfillment of such a committee it would carry out our work more expeditiously. We on this side would support it.

I would not like to take part in a committee which is, in fact, going to restrict the discussion in such a way as is simply applied to efficiency only. I have said this before, and the Prime Minister has a good quote from Churchill that backs it up; this not the most efficient way to deal with the public business. But we believe that it is the best way.

This does not mean that it has to stagnate and that we have to turn to precedents in other jurisdictions, or even in our own deliberations, to back up all we do. Surely, from time to time we can step back in an orderly way—and I would suggest that a committee would be the way to do it—and look at our own procedures and see what can be done to order our business more efficiently, and democratically and better.

I do not want to take up the time of the House in making any objection to the hours of sitting. We all know it has been oppressive. I think that we have done a year's normal work for anyone else in five months' time, and four nights a week for nine weeks is more than we should have to look forward to.

I know that the government is quick to say that when our party had the responsibility that the night sessions were even longer than those we have now. I do not know. I think that we can order our affairs, particularly accepting the proposal by the Premier that we are going to have a fall session, so that we can use a longer period of time more effectively, and use our time more effectively, so that it is not going to be as oppressive as it has been in the last two to three months. One thing is sure, and that is that all sides are prepared to take an orderly review of our procedures so that we can improve them. I do not think that this has to be tremendously time consuming. I think that many of the rules and the leadership and advice available to us could be be undertaken in a few hours, if such a committee should be appointed and we could sit down and take a look at these things.

I would like the Prime Minister's comments on these matters if he is moved to say anything about them. Also, in the first vote, I

would appreciate a prediction from the Premier, as to the number of conferences he will be called upon to attend as our chief representative from Ontario, resulting from the Confederation of tomorrow conference. There is a continuing committee of Premiers, in which he must surely be involved, and yet we have heard nothing about that since the conference last December.

Also, what he would predict would be the series of conferences that would lead to a review of our fiscal agreement with the federal government, and with our continuing constitutional responsibilities as far as changes in this regard might be predicted. The federal-provincial conference in February did create another committee and there have been political events intervening which would make communication and plans on this line difficult. But I would appreciate a rundown of the responsibilities of the Premier during the recess.

Mr. Chairman: The member for Riverdale.

Mr. J. Renwick (Riverdale): Mr. Chairman, I only want to make one brief comment at this time on the procedure of the House, and leave the rest for the wind-up speech for this party on the Budget debate.

I would be concerned, with the introduction of the programme budgeting plan, which is a long term plan to revolutionize the presentation of government estimates and programmes to this assembly, that we not, at this point, drastically change the work of the estimates committee of this House and the committee of supply, into some different system which might well have needed to be done, had we been going to continue with the identical system which has been in force for so many years. I think that the most significant thing which is happening, insofar as the conduct of the province's business is concerned, is that work being undertaken by The Department of Treasury in the programme budgeting for the province.

I have had the same sense of frustration that every member of the House has, as to whether, in fact, we are engaged in some form of nit-picking, in questions related to the estimates, which is not terribly appropriate, and yet at the same time, I think that there is a meaningful exchange that does take place from time to time on almost every estimate about some matter of programming and policy.

How you can separate the two aspects under the present system would have been a matter of real concern had we been going to continue with that system. The introduction of the programme planning budgeting system, which I hope will be introduced very soon, requires some caution, and I would just utter a word of caution about changing the committee of supply until we are informed as to how that system will operate.

In the same vein, Mr. Chairman, I would say that I do not think that the introduction of this system is satisfactory, if it is the intention of the government to introduce it to us after it has been fully fashioned. I think that it is most important that either, through a standing committee of this Legislature, or in some way some members of this Legislature can be brought into the planning work which is being done.

For example, I noticed that the Minister announced in his estimates that there had been this original orientation meeting with senior officials. I think that some machinery has got to be fashioned by which some members of this assembly are brought in at the original planning of this programme, so that we can get some suggestion as to its objectives. We all read about the plan, and know that it was developed in The Department of Defence in the United States of America, and spread into some of the departments of government in the United States, and the government of Canada has adopted it.

We have adopted, and yet all of them, excepting The Defence Department of the United States, are in a very rudimentary phase of planning and fashioning of that system. I happen to think that it is probably the most revolutionary activity undertaken by the government at the present time, so far as its impact upon the transaction of government business. With that word of caution, I would hope that when the Prime Minister speaks on his estimates, that he would make some comment about some way in which some members of this assembly could be involved in the thinking and background and planning of that approach to the government business.

I would, on the first vote, simply like to know what the staff of the Prime Minister's office is now. I notice that there is some $31,000 increase, which is mainly under the salary item, and I am not particularly interested in the individual salaries but I would like to know the role and function which each of them performs.

Mr. Chairman: The Prime Minister.

Hon. Mr. Robarts: There are several matters here, Mr. Chairman, as far as the revision of the rules of the House are con-

cerned, and the procedures here, I look upon this as an on-going matter. I do not think it can be finalized at any period of time. A constant revision and review are necessary. This has been the procedure in the past. If you look back over the years that any of us have been here, you will notice changes in procedure that have arisen and have taken place really to meet exigencies of the situations in which we find ourselves at any specific time. I have felt personally that I wanted this session to be complete before these matters were considered. We have a lot of new members in the House.

Some of these matters I would have referred to in my contribution to the Budget debate. I recognize that the leader of the Opposition has spoken in the Budget debate and perhaps he is concerned that he would not have another opportunity to discuss these matters. But I had intended speaking about them there. I wanted this session to be complete so that one would be able to sense the feeling of this House.

It is a new Parliament and this is the first session. As we come to the end of it, we have a good many members here who came in knowing really nothing about the Legislature *per se,* who have had the benefit of the experience of this session in order to become accustomed to the procedures. Also it has given us an opportunity to assess, perhaps, what is going to be the atmosphere, and the needs for the years that lie ahead. Therefore, I was not greatly interested in introducing any amendments to the procedures during this particular session—I quite agree with the leader of the Opposition that you cannot conduct the affairs of an institution such as this, with efficiency solely in mind, because if we do we will destroy some of the things that we seek to achieve here.

On the other hand, having said that, I think every member of this House must be a little dismayed occasionally at the high degree of repetition that occurs. Who can sit here for this number of months and not be aware of this? This is one of the problems, of course, about establishing a separate committee of the House to deal with estimates. So what do we do? We detach a certain group of members from the House and put them off in a committee room and they consider estimates.

Then, as soon as they are finished, those estimates come back into this House and are immediately re-examined by all those members who have not sat on that particular committee. So inevitably we are going to get the same treatment in this House sitting in committee of the whole, as will prevail in any committee on estimates.

Mr. Nixon: Would you permit a comment on this point?

Hon. Mr. Robarts: Yes, certainly.

Mr. Nixon: I notice in the procedures committee of the House of Commons, their recommendation would deal with this specific matter. They speak about even dealing with bills in committee. Rather than go through the bills clause by clause, the bills are dealt with by the standing committee. Then the debate in the House takes place on the report of the standing committee. The same thing could very well be done on the report of the estimates committee. They would be reported back *en bloc* and not necessarily done item by item.

Hon. Mr. Robarts: Well, Mr. Chairman, this probably is not the place to argue this out because there are so many points to that question. But, this would only work if there were some form of agreement which would be honoured. Frankly, in our discussions to date, I am not able to detect agreement. In other words, the leader of the New Democratic Party has said he cannot see that he could guarantee agreement. I respect this point of view and am not being critical, but I am simply pointing out that, as of now, we cannot detect agreement. This is the problem.

Mr. Nixon: We have not had a chance to thresh out the alternatives.

Hon. Mr. Robarts: Well, there are many alternatives. However, Mr. Chairman, I would say that I have given this matter a lot of thought during the course of this session and I have no objection whatsoever to considering changes to the rules of procedure here. In fact, we have made many changes in the rules over the years without any prodding from the Opposition, simply because we felt that it might be a better way of handling the business of the House. That is how we will approach this. I think the experience of this session will be valuable to us in whatever deliberations there may be in this regard in the future.

We must face the fact that we are going to have to sit more weeks or days or perhaps months during the year, although I believe in 1966 we sat probably as long as we sat in this session—the Clerk informs me some days longer—so that was a very protracted session. In any event, it does not really matter. The

point is I do not think we need to constrict or attempt to force long hours of sitting. On the other hand, I must admit that sometimes as I sit here and watch the procedure I have a feeling that this is the only way we are ever going to get finality. I think too, and I will leave it to each individual member who has sat here and listened to the procedure of this House in this session, to think back.

If we do not have a deadline, it will never end. I think this is perhaps just a question of human nature. But it is when we start to force ourselves to get some sort of a deadline that eventually we get action. The talk continues and goes on, and on, and on, unless we can bring it up against some type of deadline. And this perhaps influences the hours of sitting. I would think, as I see the situation now, we should be prepared to come back here in the fall for some short period of time, prior to Christmas, and we might dispose of the Throne debate and deal with some items of legislation. Then we can meet in the new year, and the Budget could then be introduced.

Now, one thing I have noticed in these long periods of sitting in committee of supply and dealing with the estimates is that we have pretty well emasculated the Budget debate, which is traditionally one of the great formal debates of the House. I feel we should try to put the importance of the Budget debate back where it belongs, where matters of policy would be discussed, broad matters of policy, the government's announced policy could be commended and criticized, additional polices and comments could be made.

Mr. Nixon: There is never anybody over there listening to the debate.

Hon. Mr. Robarts: Well, Mr. Chairman, if we did not spend so many long, long hours in the estimates, talking about really minor points of administration, then I think that the Budget debate could once again assume its proper place. I think the Budget debate has fallen into some degree of disrepair. It has become less important than it should be. I would think, in approaching the problem of how we are to deal with the estimates that we must also consider what the position of the Budget debate is and restore it to the position which, in my opinion, it rightfully should occupy in the procedures of this House.

So, perhaps if do meet in the fall we will be able to arrange hours of sitting which will be somewhat less onerous than those we have gone through in this session. Another thing with these very long sessions is that it is difficult to maintain attendance. I have received mail from people saying the attendance in the House is very poor, but I do not think the general public realizes that the members here attend committees in the morning, meet from 2:00 until 6:00, meet again from 8:00 until 11:00 o'clock at night, at least four days a week this session as well as having attended French classes. As far as the government members are concerned, every Minister has very large administrative responsibilities in operating his department. Frankly, it is impossible for all members of this assembly to be in their seats, listening carefully to everything that is said for the entire period of time this House sits.

I sometimes wonder why the general public does not realize just how full the day of the average member of this Legislature is. Simply because a member does not happen to be sitting in his seat on public view does not mean that he is not discharging his duties as a member of the Legislature. He can be in committee; he can be wandering from department to department looking after the affairs of his constituency. He can be dealing with the delegations from his particular part of the country. He can be doing a million things. So if you sit in the press gallery and count up who are sitting in their seats and then say those men are not working, this can be a false conclusion from the situation seen in this House at any moment.

I explain this in individual letters I write to people who communicate with me about attendance in the House. But I take this opportunity to say publicly, that I do not think the people really understand the amount of time individual members spend working on behalf of their constituents, and on behalf of the population at large in the province.

Now, while I am dealing with these procedures, the hon. member for Riverdale is not anxious to proceed quickly with the proposition the hon. leader of the Opposition raised. He says we might go slowly in considering this. Moreover, as far as programme budgeting is concerned, this was explained pretty fully to the standing committee on public accounts last year. Now I realize that is a relatively small committee with what might be termed a rather highly-specialized function. Perhaps in explaining financial matters there does not constitute a complete explanation to the entire body of the House.

I would be very happy—and the Provincial Treasurer has also heard your comments—to make some arrangement for an explanation of these proposals if such is required. As these things change and as new procedures are

adopted, inevitably this is going to require adequate presentations here in the House. We would be quite happy to make sure that detailed explanations are given, perhaps some place other than in the Legislature itself so that the procedures the government is following can be understood.

In regards to the comments made respecting the continuing committee of Premiers which was established after the Confederation of tomorrow conference, the sequence of events since last November has been such that the committee has not found it necessary to convene, except that we did have a meeting during the constitutional conference in Ottawa in February, very briefly, more procedural than anything else.

Probably that committee will have some discussion at the Premiers' conference which is being held in Saskatchewan in about two weeks' time. In other words, we will all, I hope, be together at that time, and I have no doubt the function of this continuing committee will be dealt with then. The fact is that after the Confederation of tomorrow conference, the federal government called a constitutional conference and, of course, while these matters were being discussed in that form any need for a reconvening of the Confederation of tomorrow conference was not necessary.

At the moment I cannot say when, in a formal way, the continuing committee of Premiers will meet—that is, in a formal way to carry on the discussions originated at the Confederation of tomorrow conference. As you can see that conference had, I think, a very profound effect upon the subsequent constitutional conference called by the federal government.

In regard to any other conferences, at the moment there are no plans for any of which I am aware. No dates have been set. The Prime Minister of Canada is in the process of organizing his government, and I assume that in the course of time we will have some discussion as to when we will meet again. But as of now there are no dates set for any further federal-provincial conferences, although we know that the need is there and that certainly there will have to be some discussion about this in the relatively near future. At the moment I have nothing to report to the House in that regard.

Mr. Chairman, in answer to the specific question of the hon. member for Riverdale, the increase in the estimates of my department this year covers normal increases in salaries plus additional personnel. At the present moment the main office, which is covered by the first vote, the staff consists of 21 people. I do not know whether you want a more exact breakdown in listing their names.

Mr. J. Renwick: I would like a breakdown as to their role.

Hon. Mr. Robarts: Just one moment then. First of all there is Mr. M. McIntyre, who is secretary of the Cabinet and also Deputy Minister of the department. He is the senior executive, or administrative head of both sections of the department, the Cabinet office and the main office.

There are five executive officers—Mr. Farrell, Mr. Hanson, Mr. Kinmond, Mr. Martyn, Mr. Rathbun, and Dr. Reynolds, chief executive officer. The rest of the staff consists of the receptionists, secretaries and stenographers, and Mrs. Beatty, the departmental secretary and accountant.

As far as function is concerned, the executive officers, under the chief executive officer, carry out assigned administrative functions necessary in the office. You might be interested to have a run down on the question of mail. I am not referring here to bulk mail, I am referring to individual letters that need to be dealt with and processed through various departments of government. We will deal with approximately 13,000 individual replies to letters this year. In 1962 the number was about 5,400. Since then it has increased, and as I said we estimate we will deal with a heavy volume this year.

The executive officers handle a good deal of the research and problems arising out of mail when people write asking about specific matters and about specific cases. These have to be traced through the departments involved. Also, executive officers from my own department act as secretaries and serve the chairmen on various interdepartmental and Cabinet committees in order that we may have constant liaison with these committees. They interview people. I do not think I could estimate how many individuals walk into the reception office in a week.

We need people to interview individuals who come to see me about a very wide variety of matters. We have many delegations; I think we deal with probably 75 or 80 invitations each week requesting my own personal appearance here and there. These all have to be sorted, dealt with, assessed and so on. Then, there are all kinds of reports for which I might ask concerning various matters proceeding within the government. I

need these men to go to the departments and work with Ministers and senior civil servants who are preparing information which I want reduced to the smallest number of pages with the greatest amount of information possible on them.

Then, of course, Mr. Kinmond deals with the press, radio and television and looks after the TV room, as it is called, downstairs and deals with all the relationships of this department with the news media.

So in a very rough way, those are the duties and responsibilities of these men. As you can see it is highly individualistic work. It follows really no routine and it certainly follows no hours. I would say that these men are in many ways selfless and very dedicated. We work week-ends; hours mean nothing, crises come at any time of any day and certainly there is no time routine in the office of the Prime Minister.

Mr. Chairman: The leader of the Opposition has a comment.

Mr. Nixon: Mr. Chairman, there is just a little bit of information. We are talking about the length of the session. The Clerk, Mr. Lewis, just sent me the following information you might find of interest. In 1966 we sat 110 days; this year so far, 100. 1966 also had more night sittings. However, I am informed we have sat more hours this session.

Mr. J. B. Trotter (Parkdale): Mr. Chairman, I just wanted to make a few remarks on this, in part arising from the remarks made by the hon. member for Riverdale.

He urged that any reform of the presentation before the committee of supply be either held up or we go slow on this matter until we have looked into the change of setting up of the Budget or the estimates. I want to emphasize this, that no matter how we change the presentation of the estimates, or how more efficient they may be, it will not stop the talking.

We use the estimates, no matter how small a particular grant might be, as an occasion to make a speech. It may be an important speech, it may not. You may have an item of a $10,000 grant and it may be good for a four-hour speech. No matter how big or small the estimates are, the talk is bound to continue, no matter how you change the presentation of the estimates, and I want to emphasize that.

So I hope, Mr. Chairman, the Prime Minister will not delay any thought of reforming our procedures in this House because of that. I have spoken on this before and I do not, certainly at this late date, intend to dwell on it at length. But unless we improve the way we handle this business in this House we are going to bring the Legislature into disrepute.

We can blame ourselves. We are all at fault. We on this side of the House can be accused of talking too much, and on occasion we do. But other people can accuse the government of sitting back, "Let them talk the clock out."

We can all be accussed of this, and I, for one, want to see it stopped. I think if we use common sense among ourselves that we can get together and work out various means of procedure where we can be efficient and, at the same time, make sure that everybody has an opportunity to be heard.

No Legislature in the western world carries on the way we do. Certainly Ottawa does not; certainly Westminster does not. I think that we have to see to it that we safeguard the free speech that we have, with the checks and balances that are required at the same time to see to it that we carry on in a reasonable efficient manner.

What will be bound to happen is that many members who are interested in public life will just get fed up, secondly, many individuals who could be interested in public life when they see the way we carry on, just do not want to have anything to do with it, or certainly do not want to be a member.

I have used, I think, before the example of Mr. Richard Taylor, former member for Timiskaming. A very able man. A man of dedication and great knowledge. He just did not want to run again simply because of the incessant time he felt taken up where the private member could accomplish very little.

It is important in modern administration of government that these men are brought in, regardless of their party, and this affects men of all three parties. It is important. These people are not only attracted to the public life of the country and of the province, but they stay in and take an active part in the public life.

But if we are going to continue our discussions—regardless who is at fault—the way that we have done in this past session, we simply lack common sense, and all parties can be blamed if we do not see to it that we modernize our procedures in this House.

There are many ways of doing this, many suggestions have been made. I, as one member, want to say this, that it is incumbent upon all of us, and if my party failed to co-operate

then my party would be at fault and I certainly would speak up against my own party if we failed to come to some reasonable set of procedures. But I know from what discussions have gone on in my own party, and some of the comments of our own members, that we are anxious to see that this most important business in the country—the business of government—be done in an efficient manner. The old days have gone—

Mr. Chairman: The member is becoming quite repetitious.

Mr. Trotter: Well, it might be. Thank you. I have not been speaking too often of recent date in the hope that this House would be cleaned up. At the same time, I want to say that I think this is of utmost importance because it is, I think, in many cases bringing the House into disrepute. I hope that in having this year as an example that this coming year we will make some definite progress.

Mr. Chairman: Vote 1501 carried?

Mr. A. W. Downer (Dufferin-Simcoe): Mr. Chairman, I believe in giving credit where credit is due, and all too seldom do we express our appreciation for a job well done and for outstanding services rendered to the people of this province.

I believe that great credit is due to the Deputy Minister, to the Prime Minister, and the secretary to the Cabinet—you all know his name, Mr. W. M. McIntyre—for his outstanding service as co-ordinator of the Centennial celebrations and activities in this province during the past year.

He made a great and tremendous contribution to the success of the celebrations. Mr. McIntyre has given many years of service and he is deserving of our appreciation.

Votes 1501 and 1502 agreed to.

Mr. Chairman: This completes the estimates of The Department of the Prime Minister.

ESTIMATES, OFFICE OF THE LIEUTENANT-GOVERNOR

Vote 1201 agreed to.

Mr. Chairman: This completes the estimates of the office of the Lieutenant-Governor.

ESTIMATES, OFFICE OF PROVINCIAL AUDITOR

On vote 1601:

Mr. J. B. Trotter (Parkdale): Mr. Chairman, on page 21 of the Provincial Auditor's report, he has a very brief statement as to the comments made by the Ontario taxation committee, better known as the Smith committee on taxation. All he says in his report is that, "Comments concerning the public accounts have been noted, and are being given due consideration".

I would like to know if the Treasurer of Ontario could give us a little more indication of what is being done, because the Smith committee, in volume 3 of its report, on pages 2, 3, and 4, were, in essence, highly critical of the way that the public accounts of the province are prepared. They admitted that the public accounts were not under their purview but since they had to deal with it to such a large extent, they could not help but make remarks.

For example, the Smith committee makes such statements as this, and I am not taking the statements out of context because I do not want to read the whole thing, but they say, "People inexpert in government accounts are almost certain to be misled, while the knowledgeable are inconvenienced".

They go into the whole argument that we have had on many occasions about the difference between ordinary and capital accounts.

They made reference in another way that the public accounts hinder a full understanding of government finance through the distinction drawn between ordinary and capital items of income and expenditure.

The third thing that I would like to mention is the reference to the grants made to Ontario universities, and I think particularly of the Ontario universities capital aid corporation which involves a great deal of money and which is going to involve even more.

Again they say, "Regardless of the reasons for presentation, in our opinion it disguises the true state of the government's financial position".

Well, I admit that we do not want to get into long talks at this time in the hearings of the House, but would the Minister comment as to the possibility of changes being made as a result of what the Smith committee has said about the public accounts?

Hon. C. S. MacNaughton (Provincial Treasurer): Mr. Chairman, there is very little to be said about the matter insofar as it relates to the estimates of the Provincial Auditor. I did make some comment when we were discussing the estimates of The Department of the Provincial Treasurer, as far as the accounts

are concerned. I think that I recall indicating that I was giving consideration to the continuing pursuit of getting on with what was referred to as a national accounts basis in our accounts presentation. I guess that that observation is as good now as it was when I made it on the estimates of The Department of Treasury. But I think it is quite appropriate to say that the matter referred to in the auditor's report in this respect is accurate and is being considered.

I have had one or two short conversations with the auditor in this respect and beyond that I cannot tell you really what has been determined. The whole matter of the Smith committee is being undertaken—as has been said in this House on a number of occasions—by a central co-ordinating committee in The Department of Treasury, assisted by representatives from other departments. Presumably, all these matters will be taken under consideration. Beyond that I am in no position to comment.

Mr. Trotter: Is there a particular time by which some definite policy will be set, or is it just going to be in the fullness of time, as happens so often? Is there a possibility of any definite change in the next year or two?

Hon. Mr. MacNaughton: Mr. Chairman, there is every possibility. But I am back to what I have said many times with respect to the presentation of the accounts, and I cannot say any more. It is certainly not possible to change overnight from the processes of decades in this field, and I would hope that the hon. member would understand that. We have not only discussed it with the Provincial Auditor, as I have said, but we have had a series of meetings with the controller of accounts, whose function it is to set up the compilation of the accounts for the auditors' check.

Now, this is in process, and I have made a number of references to this. Presumably I will be advised further as the whole process advances. But all I can say is that it is in progress. To be definitive as to when we will switch from a format which is as comprehensive as the one we have been using—and I think everybody will agree—will take time and some appropriate consideration.

Mr. Chairman: The member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Chairman, the major differences which I have found between dealing with accounts and budget estimates and studying the financial records of a government has not just been its format, but the length of time between the accounts one is reading, and the budget one is considering. The fact is that it takes almost a year to receive the audited accounts. Is this due to the volume of work of the Provincial Auditor? Normally, in some very large corporations, we have audited accounts within six weeks of the year's end. In the government's case this would be the middle of May. I do not know when we can expect these accounts. Perhaps in the late fall. Is the delay within the department or the procedure of audit?

Hon. Mr. MacNaughton: Mr. Chairman, it is a statutory requirement, as I understand it, that the public accounts in the province of Ontario for the previous fiscal year be in the hands of the members ten days after the opening of a succeeding session of the Legislature. As far as I am aware, that requirement has been met. I have explained to the House before that, in many circumstances, it is difficult to prepare the accounts for one year until well after the end of the fiscal year.

There is a lapse of time after March 31 for the orderly receipt of accounts, the processing of them by the various departments and the eventual audit. This takes time. There are many accounts, for instance, which are due and payable in effect on March 31 which may well not have been submitted. They require processing at the department level and the branch level in the department. They work up then through The Department of Treasury into the auditor's hands. This process also takes time. The books—while they reflect the financial position for a fiscal year ending March 31, are not always actually closed on that day.

I do not think that the process or performance varies greatly from what takes place in industry. You cannot reach the end of a fiscal period today and have everything delineated tomorrow. The volume of accounts that go through the various branches and departments of government and then through the accounts branch or the comptroller of revenue takes some time. We are doing our best to speed up this process in many fields. Again, this is an area where we have had a series of discussions with the comptroller of accounts and his staff. We are doing our best to speed up the processing of accounts for payment purposes, because I personally think that there is a limit to the amount of time that the creditor of the government should be allowed to wait. But to go into much more detail is difficult, I simply

would have to assure the hon. members that there is recognition of the time factor involved here, and there is continued pursuit in terms of trying to improve the process and minimize the delay. That is all I can say.

Mr. Deacon: Mr. Chairman, I do not know if the explanation given by the hon. Provincial Treasurer would satisfy the hon. Minister of Financial and Commercial Affairs if the George Weston Company or Union Carbide of Canada took a similar length of time to produce their results. They have a certain time that they are given by statute that is much less than the time that is taken by this government, many months less.

Union Carbide of Canada actually comes up with its own internal statement within ten days of a year-end. It has an audited statement prepared within six weeks—less than that, actually. They do it by not only the modern methods of technology, computers and the rest of it, they keep their statements up to date—but they plan a long way ahead for a year-end so they can provide those responsible for the direction of the company with prompt results.

We are responsible in this Legislature to the taxpayers of this province for the results of this province, certainly through the government and the Cabinet. We should be in a position to know the results far more promptly than the present legislation demands. And I would hope that the legislation would be changed to be more adequate in view of the fact that the modern technology permits it to be much faster. I think this matter should be considered before the next session to see if we cannot be provided with complete audited statements of the province much before that session opens.

Mr. J. Renwick (Riverdale): Mr. Chairman, I would draw the attention of the Provincial Treasurer to the recommendation of the public accounts committee that, in any re-arrangement of the offices in this building, the independence of the auditor be emphasized by locating him in this building in order to make absolutely certain that people understand that the office of the Provincial Auditor is an office responsive to this assembly and not an office involved in the government administration. I know that we pay lip service to the separation of function of the auditor. But certainly, from the sensation I had in the last Parliament and the sensation I had sitting for the first time on the public accounts committee this year, this question of pre-audit and post-audit is also intimately involved in the sensation of the need to reinforce the independence of the Provincial Auditor from the government administration. I think it is the need for that separation of function, a good part of which is at the background of the concern about the lack of a post-audit in the government accounts.

I would certainly direct the Provincial Treasurer's attention not just to that particular item, but specifically for the purposes of this vote, to item 8 of the report of the public accounts committee which the member for Parkdale, as chairman, tabled yesterday.

Hon. Mr. MacNaughton: I do not want to let this opportunity pass to say, through you, Mr. Chairman, a thank you to the chairman and members of the public accounts committee. I have received the report; I have read it and I think it is a good report. I have distributed it. Very careful attention will be given to its recommendations, I can assure you, as always.

Some of them will be capable of implementation earlier than others will, but there is no recommendation in this report which is not worthy of the careful consideration of the Provincial Treasurer and his staff and those who are associated in the whole matter of the public accounts of the province. I regard it as a very good report, so I think it only appropriate that I say a word of congratulation to the chairman and the committee this year.

The matter of the location of the offices of the Provincial Auditor is, of course, well taken, and I can say to you, Mr. Chairman, through you to the hon. member for Riverdale, nothing would delight the Provincial Auditor more than to be located in this building. The great problem at the moment is the fact, of course, that space re-arrangements are being undertaken. It will take a little time and if circumstances permit I am quite confident we will have the Provincial Auditor and his staff in this building when the appropriate arrangements can be made. I repeat with some emphasis, he would be delighted to be in this building. He feels that is where he and his staff belong.

Vote 1601 agreed to.

Mr. Chairman: That completes the estimates of the office of the Provincial Auditor.

This completes the estimates for the fiscal year ending March 31, 1969.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Chairman, before making this last motion, I think all of the hon. members of the House would want to pray for your forgiveness for all of their sins of omission and commission and to thank you for your tolerance and patience, kindness, and your understanding.

Hon. Mr. Rowntree moves the committee of supply rise and report it has come to certain resolutions.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions.

Report agreed to.

Clerk of the House: Mr. Reuter, from the committee of supply, reports the following resolutions:

RESOLVED:

That supply in the following supplementary amounts and to defray the expenses of the government departments named, be granted to Her Majesty for the fiscal year ending March 31, 1968.

(See appendix B, page 6066).

Resolution concurred in.

Clerk of the House: The 3rd order; consideration of the report of the workmen's compensation board, Ontario.

WORKMEN'S COMPENSATION BOARD

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I would like to make a few comments concerning the workmen's compensation board, Ontario.

This is one department of government, Mr. Speaker, that has a very substantial effect on the lives of the individual. The comments that I would like to make are concerning several fields in workmen's compensation. One is concerning the supply of prosthetic appliances to individuals who have suffered some type of a serious injury where the arm may have had to be removed, or even in the process of the injury, the arm or leg was amputated.

I understand that there are appliances today which can be provided to the individual that would give him practically full use of the limb that had originally been lost. The workmen's compensation, from what I understand, seem to be a little reticent in providing this to the individual, especially to the individual who has received this injury some years ago. In fact it was well over six months ago that I met with a series of amputees back in my own community with the other members of the Legislature from the Windsor area. One of the major complaints they had to make at that time was that with the appliances available to the injured or the disabled worker the workmen's compensation do not seem to want to get into the 20th century and provide them with these new appliances.

I think that if this is so, Mr. Speaker, it behooves the workmen's compensation board to see to it that any individual who may have suffered this type of disability is provided with the latest type of appliance so that he can carry on as normal a life as he possibly could.

Another is concerning an injury that an individual may suffer. Because of oncoming years he finds that the workmen's compensation board says that this is as a result of an arthritic condition. The arthritic condition may have been accelerated as a result of the injury, but the injury was not as a result of an arthritic condition. He finds himself at a disadvantage when he wants consideration from the board.

Another field is where the individual is injured and, after going through a rehabilitation or treatment, returns to his employment. After being kept on employment for a short period of time he is laid off simply because he cannot perform the work that he originally performed. He has a disability, an injury, and the employer does not have lighter type of work in the industry.

As a result, the individual is laid off, and has to depend on the unemployment insurance for benefits. I think that where the individual is injured and where the employer cannot provide him employment of a lighter nature, workmen's compensation have an obligation to rehabilitate the individual to the point where he can find employment. Until the time he does find employment, he should be carried on workmen's compensation rolls.

The rehabilitation aspect is probably one of the more serious ones, Mr. Speaker, because once injured, the fellow quite often can never return to the same type of employment; he had originally been gainfully employed, making a fairly substantial wage and now finds himself unemployed or required to work at employment that does not pay as substantially as it did before. These

are a few of the comments that I have and I hope that the Minister later on will be able to reply to them.

Mr. Speaker: The member for High Park.

Mr. M. Shulman (High Park): Mr. Speaker, I have a few brief comments to make about the workmen's compensation board. You may recall, at the beginning of this session, during my first address to this House, I made some serious complaints about the board, and at that time I presented some 30 or 40 cases to the Minister who reports for the board to this House.

I was quite disturbed, shortly after that, when one of the senior officials of that board made a speech in which he said those cases had all been investigated and there was no merit to any of them. Well since then, actually I prepared a fairly lengthy brief, which would take about a week to deliver, on those various 30 cases which had no merit.

But it is a mixed blessing for all of us that we have appealed those cases and have won most of them, so I can spare you, and everyone else here, the necessity of going into those cases with no merit, which somehow we won on appeal. But the matter that disturbs me about those cases—those happen to be cases that came to me. And I did appeal them, and I did win most of them. And some of them go back for a very long time; many, many years.

Now what disturbs me—I am pleased that I got justice for these men. I am pleased that we won those cases. But the thing that is upsetting to me is the fact that how many more, who did not happen to come to their MPP, were turned down and never received justice for one of two reasons. Either they did not appeal, or else they appealed and were rejected because they did not have someone to speak for them.

Now on this business of not appealing, the persons who seem to get hurt most are the persons of non-Canadian birth who come from another land, and perhaps their English is not too good and their understanding of procedures is not too good, and all too often they are turned down by compensation and as far as they know that is the end of it.

We have had cases which go back some years, where the facts were so obvious that it was not even necessary to appear in front of the board, but merely by sending a letter to the board, which was referred to the review committee, the claim was immediately granted.

I would like to suggest, through you, sir, to the responsible Minister, that there should be some extra care taken to ensure that every person knows that when a rejection of a claim is made, he can appeal. And if his appeal is refused, then he can appeal again, because it is my understanding that when an appeal tribunal turns down a claim, it does not say in their letter, certainly in many of the letters that I have here, that they could appeal the case further. Well, of course, they have a right of further appeal and, from experience, we have found that we win a far greater percentage of the appeals to the board itself than to the appeal tribunal.

I am not sure what the reason is for that, but at the higher level there appears to be, perhaps, more discretion available to these gentlemen. But certainly that final appeal is a terribly important one.

I was a little disturbed when the Minister got up and mentioned—I forget, the vast number of cases that came through his department—twenty billion or something, and of them all, there were only 300 complaints or 200 complaints. I have 150-200 complaints here myself. Well, let me suggest to you, sir, it does not matter if there are two hundred billion cases he gets every year—what is the figure—20,000,000 or 20,000, 200,000—if one member in this House is receiving 150 or 200 complaints, many of which are genuine complaints, because we are appealing a large number of these, and winning most of them, so obviously they were genuine complaints—there is something wrong with the system.

I can understand the odd case where an error is made, but I cannot understand this very large number. I believe I have perhaps some 200 under appeal at the present time, at various stages of appeal. And this is disturbing to me.

I have more than the average member because there was some publicity given to my comments and I ran a personal ad, but still this is a large number to be coming here and it is disturbing to find that many of them have merit and have been turned down for a variety of reasons.

I would like to, without going into too much detail, deal with some of the problems these people have, because these are not unique problems; we seem to run into them time and time again. Before I go into the specific complaints, I would like to refer back again to the comments I made in the debate of the Speech from the Throne, in relation to cases that are being handled by the insurance

companies for the workmen's compensation board. In relation to the fire which occurred in the compenastion board shortly before my dismissal from my last job, there were some number of people who were injured, and up until a very few days ago—I have not checked this past week or so—none of these people had received any settlement of their claim.

At the time, earlier in this session, I asked the Minister if there was some argument as to who was responsible for paying the claim, and the Minister, at that time apparently, was not aware of the fact because he said "No". And now I have a letter here from a law firm which states—and I would be glad to supply a copy to the Minister—that none of these claims have been paid because there is some question as to who is responsible, whether it is the compensation board, or the insurance company, or the government. As a result, many of these people have received nothing.

Let us not have the confusion that we had earlier this session, where in the case of one Mr. Lynch, it was pointed out the vast sums of money he had received on compensation. This has nothing to do with the compensation. Of course, these people have received their compensation. This has to do with the injuries received in the hospital, which is quite a separate matter. Incidentally, when discussing that matter, there was some discussion on Lynch re that rather peculiar form he was asked to sign, which said he was signing off all responsibilities, and the Minister explained this did not really mean what it said, and it only referred to his watch. Well, this may be and I certainly would not question the Minister's word. But I certainly would suggest to the Minister that he make certain that forms of this nature never be used in the future because it is all very well for the Minister to say it means one thing, when in fact it states quite a different thing on the form.

The other case I would like to refer back to, or two of the cases that I mentioned at that time are still very disturbing to me. One of them is a Mr. Gualtier who died in that fire. He left a crippled sister in Italy, who as yet has received nothing, and was offered a very small amount of money to settle the claim. And the Minister pointed out that no claim had been made for this woman under the Act. Well, of course, as the Act is worded, no claim can be made. A sister has no claim whatsoever, and if she had made a claim it would have been rejected and that would have been the end of it. A widow can make a claim. A child can make a claim.

But for the Minister to get up and say no one has made a claim for the sister under the Act—I expected better from this Minister.

So, let me again ask the Minister to please look into the merits of this case. Here is an injustice. If you are going to sit on the terms of the Act you do not have to pay anything, but let me suggest you should not be sitting on the terms of the Act.

I suggest we adjourn, Mr. Speaker, I do not believe we have a quorum.

An hon. member: If there is no quorum of the House, the House must be adjourned.

Hon. J. P. Robarts (Prime Minister): We will not only provide the hon. member with a quorum, we will provide him with an audience.

Mr. Shulman: Thank you very much.

Well, now that I have an audience and a quorum—the various complaints that we have had in these cases break down to some 20 different problems. I think probably the most serious, the most common, that was touched on briefly by the previous speaker, is the case of a man who seems perfectly healthy, is doing his job, has an accident—let us say a log falls on his back.

I have a case like that right here. He is taken to the hospital. X-rays are taken of his back and, sure enough, we find there is arthritis in his back, and we need not be surprised, Mr. Speaker, because if we took x-rays of every member of this House, you would find some 90 per cent of them have some arthritis in their back. This is a normal medical change that occurs, sad to say, in all of us over the age of 30.

But what happens? The compensation board looks at the x-ray and says, "Ah, pre-existing conditions. Therefore, this accident is an aggravation of a pre-existing condition".

When the man continues to have pain in his back, they say, "Well, you had an accident, you certainly should receive your compensation for it, and the usual figure is four weeks. It can vary. It can be two weeks or six weeks.

But after four weeks they say, "Well, you are still having pain, you cannot go back to work, you are still crippled. This is true, but you are only crippled half because of the accident, the other half is because you have got arthritis in your spine. If you did not have arthritis in your spine, this accident would have cleared up long ago and you would be back to work. So we are going to cut your compensation to 50 per cent starting today."

Well, the workman complains. He says, "I cannot work. I have got a pain in my back." And they say, "Well, it is not our fault that you have got arthritis."

The unfairness of this type of situation is so glaring and so common, and yet it occurs. I must personally have 30 or 40 cases of this particular type where a man who had no trouble from this degeneration—this arthritis, if that is the word to use, and I am not sure it is—has an accident. The board says then, "Because you cannot go back to work it is because you have this pre-existing condition." It is such an unfair way to handle this type of case.

Let me suggest through you, sir, to the Minister, that if he is going to make changes—and I trust he is—this is the first change that should be made. When a man is well and is working and has an accident as a result of which he develops a certain disability, the board should not go out of their way to look for some other condition which might have been aggravated by that accident, because the fact remains that if the accident had not occurred, he would be able to continue doing his job.

If the Minister or I were to trip going down those stairs and hurt our back we would be off work much longer than a young boy of 18, because unfortunately he and I now already have some degeneration in our spines. But this should not be reason for cutting off our pay.

I hope the Minister will agree with me, because this is one of the most glaring, one of the most outstanding inequities in the field of compensation in this province and it is so terribly common. You cannot argue this with the board, because I have gone down in cases of this nature, and they have said, "Well, you cannot argue the fact that he has the arthritis."

You can argue the percentage they will increase his 50 per cent pay to 75 per cent, but they insist that a part of that disability is due to the pre-existing condition, and because of the pre-existing condition they will deduct a certain portion of his pay. This is unfair and wrong. I want to stress this and forgive me if I am being slightly repetitious here, because this is a repetitious thing that occurs time and time again. Many of the other things I am going to list are not as common, but this is a very serious problem.

The second thing related to this is the matter of backs. I am not talking about pre-existing conditions. I guess if there is one difficult problem which the compensation board faces it is the matter of persons who injure their back, continue to have pain and the doctors cannot find anything. Let me say this is very, very common.

We see people in car accidents who can barely move, and yet when you examine them there is nothing to find, for the simple reason no bones are broken, nothing is out of place. It is always called soft tissue injury, the ligaments are torn or the muscles are torn. It is causing a tremendous amount of disability and a tremendous amount of pain, but an x-ray does not show anything.

Well, this type of person who is under compensation is in for big, big trouble, because the compensation board will pay them for a short time. They will get their pay for a few weeks, and then the board will say, "We cannot find anything, maybe he is malingering." They then say, "You have got to go back to work or we are going to cut your pay to 50 per cent or 25 per cent of your previous pay."

The man, in some cases agrees. Some of these cases are not legitimate, but many of them are, and no one can tell for sure which ones are and which ones are not. The best back specialist in the world cannot tell.

Now, this brings us to the crux of the problem. Are we going to cut off those who are legitimate, in order to make sure we catch the malingerers, or are we going to pay a few malingerers in order to make sure we do not cut off any legitimate complaint?

Unfortuntely, the board takes the wrong attitude. They say, "In order to make sure we do not pay any malingerers, we are going to cut off all of them." And unless you can prove something with an x-ray you are in bad trouble if you have a back ailment which does not heal quickly.

And this brings me to something that has been said, not in this House, but in committee. It has been said by the chairman of the board, Mr. Legge, it has been said in the *Compensator*, which is the official organ of the board.

This is what disturbs me, because they say it, but they do not always do it. They say all doubts are to be resolved in favour of the workman, and this is a sensible thing to say, and this is what should be done. But obviously this is not what is done, because I have case after case where there is doubt, and yet at certain levels of the board—and let me say at the highest level—it is much better.

At the level of the board itself, the final appeal if there is doubt and if the case is presented properly, you will find that you usually, get justice. This is not true at lower levels of the board.

I do not want to go into details, but just to illustrate one case, because it is such an outstanding obvious type of example of where this is not followed.

It is the case of a Mr. Richard who had an injury at work where a piece of steel fell on his finger and as he pulled his finger back, a little piece of steel went into that finger. There was a minor injury and he felt pain. There was a little piece of steel sticking out, and he jerked it very rapidly and pulled his hand back. He got a little pain in his arm, but did not worry about that. He figured it was just from the jerk.

He went to his doctor and the doctor took the steel out of him and dressed it and he was off work a day or two, and he was paid compensation. He went back to work and after a few weeks he got disturbed because his arm continued to ache. He went to see a doctor, and it turned out that his biceps muscle was ripped in two.

He did not know this at the time, the pain was centered on his thumb because he had a piece of steel in the thumb. Yet the compensation board said there was no proof that this injury of his biceps occurred at the time of the original accident. Therefore, they rejected his claim.

I looked this thing over. Let us say if there is any doubt, to begin with it is an obvious case where the story is logical, the action is logical, the rupture of the muscle is logical. It should have been granted to begin with.

But looking at it from the most uncharitable point of view, surely there was doubt, and yet this case was rejected by the board. It was rejected at the appeal level. It was rejected by the review committee.

Yesterday, my wife presented this case to the final level of appeal of the compensation board itself and received a sympathetic hearing. We do not have the result back as yet.

I rather suspect that finally this man will be given the justice which he should have got a long time ago, but the thing that disturbs me about this case is they say one thing —in case of doubt, the doubt is resolved in favour of the workman—and yet, we have a case here where surely there was doubt and yet it was resolved against the workman.

This is not unique. We have this time and time again and we should not have to go up to the final level of appeal, we should not have to have an MPP go down there and yell and scream and rant in order to get justice for these people.

It is at the original level, or certainly at the review committee, the first appeal level, that cases of doubt should be resolved in favour of the workman, because if not, even if ultimately they do get justice, in the meanwhile there has been incalculable damage done to that workman and his family.

They have not received compensation. The man cannot work. He requires surgery. Often they do not have medical insurance or a backlog of funds in the bank to pay for this type of thing, and people in this situation become desperate.

I know this man became desperate. He could not work. He was a labourer who suddenly found his right arm was gone. He really had a terrible strain in order to pay for the surgery that was required, and the compensation board said, "Too bad, we cannot prove that this accident occurred at work, even though the simplest examination of the claim would have shown so".

So let me again, through you, sir, suggest to the Minister, that not just at the highest level, not just at the board itself but down to the review committee and whoever makes the first decision. If there is an obvious doubt, for goodness sake at least to begin with, resolve it in favour of the workman. If then you wish to do further investigation, do so and if you find you are wrong, stop payment. But when there is a doubt to start with, the doubt should be, as your chairman has said, as the compensator has said, resolved in favour of the workman and not, as happens only too often, the other way around.

One other matter and this is another common problem. I am hitting the common problems first.

We have case after case here of labourers; men who are trained to do nothing but labour, who earn their living by using their hands, pick and shovel; doing the heavy work which, fortunately, the rest of us do not have to do. These men will have, all too often, no education. Many of them are immigrants.

They are not fit for any type of work except labouring and yet we have case after case where a man like this will have an accident, will injure himself, will be put on compensation—cases where there is no argument as to the legitimacy of the claim. The cases are put on compenastion and after a few weeks the man is told to come down to the

board for an examination. He goes down and he has his examination and then he gets this awful letter in which they say, you are now fit to return to light work, therefore as of Monday either your compensation is being cut off or it is being cut to a certain percentage because our doctors tell us, true you still cannot do labouring, but you can go and be a bank manager or an MPP, perhaps.

The workman—what is he to do? It is again, a situation!

These are the men who earn the lowest amounts of money; they are the labourers. They have no bank accounts. They have large families all too often and suddenly, he is told, go and get a light job. Of course, they cannot get a light job. They are not fit for any light job. They cannot be trained for a light job; they do not have the education for it. They are fit to do labouring. They are trained for nothing else and that is what they are going to have to do all their lives.

I think the board is behaving properly under the Act. I am not faulting the members of the board. I am faulting the Act and the government who is responsible for that Act because this is such an archaic way of looking at it. This is such an unfair way of looking at it and it is such an inhuman way of looking at it.

Again I, through you, sir, am saying to the Minister this particular aspect is not the board's fault. I think this is the fault of the Act. Change it, because until you change it you are going to have hardships. You are going to have families ending up on welfare or ending up not having enough to eat when they do not know how to get on welfare.

This, I am sure, was not the idea that was behind the minds of those very bright people who brought in The Workmen's Compensation Board Act in the first place. I have gone back all those years to see what the original purpose of the Act was and it was intended to supply compensation for a workman who had an accident at work and cannot earn his living. The compensation was to make up a reasonable amount of his pay, until such time as he could begin to do his work again.

To tell that workman, go and get another job even though we know—we, speaking as the board or the MPPs—that he cannot get another job, is against the spirit of the Act. Although the board is acting within the wording of the Act this is, I am sure, not what the Minister or this government wishes. Let me say, just to digress for a minute, I have now had the occasion to appear before the members of the board at the appeal tribunal level and at the board itself on a number of occasions and unfailingly, I have found them to be courteous. I have found them to really want to do the proper thing. This is the impression I get from these men but in many ways, they are limited by the Act. And in some ways they are limited by an improper interpretation of the Act which has come down from above. Many of the interpretations are improper in two or three of the matters which I have listed already and other matters which I will go on to.

Certainly, the Act should be interpreted in the broadest sense. But one of the members of the appeal tribunal said something very interesting to me the other day. He said, "Doctor, this is not a welfare organization. If we pay out some money we have to go back to the employer who is involved, the firm that is involved, and justify the payment of that money. We cannot, if there is only a small doubt, pay a workman because really the employers are going to object and this is not welfare."

Perhaps, Mr. Chairman, there is something wrong with the set-up of the Act, because if there is a doubt the board should not have to prove it beyond any reasonable possibility. They should just have to establish there is a doubt and if, in certain industries, the rates become higher perhaps you are raising the funds the wrong way.

Perhaps it should be assessed partially out of the public purse. Certainly it should be assessed largely from the employer but partially some of these funds should come from the public purse. It should not happen that workmen, who are injured at work and who —in my mind and I think to the mind of every other member of this House—should be entitled to compensation, do not receive their compensation and are forced to go onto public welfare.

Now to go on to another matter, the matter of medical doubt. I have a family doctor who has treated a man for many, many years; who sees the man after an accident at work and says, "You are disabled; you must not return to work. You should receive full compensation."

One of those cases was raised here in the House some time ago, I have a number of others. The one I raised was Mr. Cutajar, his doctor was Doctor Zadyko, who happens to be a neighbour of mine. Doctor Zadyko has treated this man for many years. He says, "I know you, I have examined you, I

have treated you throughout this thing. You must not go back to work," and he issues a letter stating that.

The board says, "Fine, we will have another doctor see him." And they get a specialist to see him; they get two specialists to see him. The specialists say, "I do not find anything wrong. It is true you have got an excellent work record. You have never been off on compensation before. You never missed a day from your work, but we examined your back and we do not see anything. We do not think you are fully disabled, you should go back to work." So we go down to the board and what do we have? We have one letter from his family doctor, who has known him for 15 years and who has treated him for various ailments and has patched him up so he can go back to work. He knows the man is not a malingerer and who states this flatly in the letter.

On the other hand, we have the opinion of two men who have seen him for 15 or 20 minutes, who know nothing about his background, who could find nothing in the physical examination, as happens all too often in muscular injuries. They say, "We cannot find anything. You are fit to go back to work." In this particular case, the man's compensation is then cut to $14 a week because they compromise between the two views—the view of the family doctor, who says he cannot work at all, and the view of the specialists who say they cannot find anything. They say, "We are not sure who to believe. We will give you 10 per cent or 15 per cent or 20 per cent of your compensation. We will give you $14 a week. Go out and manage on that."

In case of doubt—of medical doubt—Mr. Speaker, surely the larger attention should be paid to the doctor who knows the patient, who has spent years with him, rather than to the other doctor, no matter how well qualified, who can only know a small portion of the case. He can only be aware of the physical factors and cannot be aware of the other matters, such as the regularity of the man's work, and the fact that he has gone back to work with a broken hand, with a cast on it so as not to miss a day. I am referring to a specific case now that I mentioned earlier.

If there is doubt, and again we come to the matter of doubt, if there is medical doubt, and if doctors disagree, any doctors, one or two, say that this man is legitimately injured and must not go back to work, then surely that doctor should be listened to. Regardless of where the preponderance of evidence is, there must be a certain amount of faith in the honesty of the man and the medical findings of the physician, particularly if it is the family doctor.

I would suggest to the Minister that the present system in this province is wrong and should be changed. If one doctor gives a letter saying this man should not work, then he should not be forced to go to work. Nor should his compensation be cut to an infinitesimal amount. I would suggest that if the board has had their own doctors disagree and at this point, what should be done is that the patient and his doctor should be told that there are medical opinions that do not agree with theirs.

The family doctor should be asked to refer the patient to a specialist in the field, of his own choice, not of the board's choice.

That specialist will be filled in by the family doctor of all the facts in the case. This is a much better way of doing it, rather than to pick a specialist out of the hat, someone who works for the board and who can only go on what he sees physically and apart from that, know nothing. Often nothing can be seen. Now, another matter.

These are related matters, and one is very serious. This is a delay in reporting an accident. We have many, many cases where a workman will be injured in work and falls down and hurts himself, gets up and feels fine; nothing is broken, and he seems to be okay. He therefore carries on working, and does not report it to the first aid or the boss. Three or four days later, his kink in his back is no better, so he goes to a boss, and tells him what happened and we find that the case is refused due to the delay in reporting. This is common, where a case is rejected because of delay in reporting. This is no reason to reject a case. The logic of the delay is obvious. The person does not think that he was badly injured, does not think that he will be off work, or need a doctor, so he does not bother to report. It is perfectly understandable, and yet time after time, we find cases rejected due to delay. They say, "How do we know that it did not happen at home, after you went home from work?"

This brings up a related matter: a workman who has an accident where there are no witnesses is in bad trouble. The workman's word, *per se*, is not accepted by the board, and he must be able to parade in one or more witnesses who will say: "Yes, I saw that saw fall down and cut off his hand".

Unless you have a witness to an accident, the board comes back and says: "How do we know it happened at work, and not at home?"

I have a case involving a trucker who was driving on delivery. He stopped to make the delivery, and as he stepped down from the cab, he slipped off the step and fell down. He lay there for some length of time, because he could not move. He finally managed to drag himself back into his truck and went home and phoned the boss to report. The case was refused on the grounds that they could not be sure that it had not happened after he had gone home.

This of course is true! How can he prove it? This is all too common, where a man has an accident, but no witnesses. Even if it is reported immediately—particularly if it is a man in the type of job where he does not have other people working with him, then he cannot provide witnesses. And if his employer is trying to keep down the compensation costs and is not too co-operative, then this claim is invariably rejected. And it is impossible to win an appeal, because we cannot supply any witnesses, since they do not exist.

Again, let me say that unless there is proof to the contrary, the worker should be given the benefit of the doubt, as the compensator and the chairman of your board have said. There is another matter which is closely related to the matter which I brought up before. That is the matter of saying to a man at a certain point: "You are only 25 per cent disabled, therefore go back to work and do 75 per cent of your work and we will make up the difference in your earnings. We will pay the 25 per cent".

Well, perhaps if I was on compenastion, I could come down here and speak only three-quarters as much and they will make up the 25 per cent difference. But for a man who has to lift heavy things all day long, the fact that he is only three-quarters better does not mean he can go back to work—because his back still hurts or his arm still hurts or the cut or whatever it is is not completely healed. To say to a man that he is three -quarters better, "Go back and we will make up the difference" often means "too bad, we know that you cannot go back, but we are only going to pay you 25 per cent from now on". This is another thing that is wrong. Unless the man can legitimately go back, this is a cruel and unfair way of handling the situation.

I am coming now to a much more serious matter. This relates to the system whereby employers will pay very much less annually in their compensation costs if they can keep their accidents down. Now this is a very-well-meant and laudable rule, I am sure. But it leads to some very unfortunate side effects. I have a case here of Mr. Junger. This is outstanding in the type of problem. Firms find that, if they can keep their accident rates down, they will pay so much less. This is great. They use safety measures to keep the accident rate down. But some firms do something that is not so creditable—they do not report accidents. They find that by not reporting accidents they will keep their costs down. It is cheaper to pay the worker for the medical costs and for the few days off work so as not to report the accidents. I am waiting for somebody to yell "name names!" I will anyway—

Mr. J. R. Breithaupt (Kitchener): Name names!

Mr. Shulman: Thank you. The member for Kitchener has obliged me. I have a case of Rolph Junger, and I have not gone into detail in the other cases because they are common. But this type of case is very hard to pin down, because the employer will not talk about it, and the board does not know about it, and the employee is afraid to talk about it for fear that he would be fired. Here I have a case where the employee was not afraid, because ultimately he was fired anyway because he had to go on to compensation. The system, as illustrated by this, is so very wrong. If you are going to use the system, you are going to have to make certain modifications.

The situation is this. This man worked for a company called Wallbar Machine Products. They are on Sharon Avenue in Cooksville. On September 16, 1967, he had a rather horrible accident. He was a visual inspector, and he was using a bottle of eyewash on his eyes from a medical kit at 2:00 o'clock of the afternoon. Now this bottle had always contained eye-wash. But on this day it contained Dettol for some reason—they were never able to find out how the switch occurred. Well, his eye was badly burned of course, so he went to see a doctor the very same day. Before he went to see the eye specialist, the foreman, a Mr. Heinz Metzer rinsed his eye with clear water and put castor oil in it to soothe it. To make sure that it was nothing serious, the man went off to see the eye specialist. Well, the firm did not want to report the accident. The doctor told him that the eye was burned; that he was going to be off work for some little time. He phoned his work and informed them he was not able to return to work, and was off for some weeks.

After two weeks, he had not received anything from the compensation board, and he

was a little disturbed because he was running short of funds. So he called the employer to find out what about compensation, and the paymaster asked him to come into the office on Monday, October 2, 1967. The paymaster then gave him a cheque for $100; and said this money would compensate him for the money that would come from the compensation, and they gave him a form to fill out because they carried some sort of a sickness policy. They were going to soak the Occidental Life to pay for the medical expenses.

Mr. J. H. White (London South): Speed it up.

Mr. Shulman: If the hon. member is in a hurry, he had better go home because we are going to be a long time yet.

Mr. White: Why does the hon. member insist on giving so much time-consuming detail well known to every member?

Mr. J. Renwick (Riverdale): Because we are trying to get the government to change the Act.

Mr. Shulman: Mr. Speaker, the reason I am giving the detail is to point out the necessity of changing the Act.

Interjections by hon. members.

Mr. Shulman: Oh well, if the member has something he wants to say I would be glad to yield the floor to him at any time.

Mr. Speaker: Order please! The member for High Park has the floor please.

Mr. Shulman: If you can subdue the member for London South, I would be glad to continue, Mr. Speaker.

Interjections by hon. members.

Mr. Shulman: Well, Mr. Speaker, as the member for London South has pointed out—we all know about these cases—

Interjections by hon. members.

Mr. Speaker: Order please! I think there is quite a bit of time being wasted now. Will the member for High Park continue please?

Mr. Shulman: Yes, I will. The paymaster said they did not want an enquiry with the workmen's compensation board because they did not have the proper first-aid room—this is what he said—it may not be the reason. I do not think that is the reason. So this $100 would cover the loss of time and what he would receive from Occidental would come up to the same amount as he would have received from the compensation board. Well, the specialist refused to fill in the form for Occidental, as he had already submitted the forms to the compensation board. And the employer went to the Occidental firm and they refused the claim as it happened on the premises of the company and should have been covered by compensation—quite properly, let me say. The company then said to the compensation board, when they received the query, they knew nothing about this accident.

On Friday, November 24, Mr. Junger went into work, he was fired. He asked why he was fired, and the foreman said he was fired because he refused to give back the $100 the company gave him. Mr. Junger said he did not refuse to give the money back; this was the first he knew about it when he walked into work that day. For his time off work, he finally received $230 from the compensation board.

Well, I can understand how this whole thing occurred. I am sure even the member for London South can understand how it occurred. It occurred because firms—and some of the best firms do this—try not to report accidents because they find that it makes a tremendous difference to their cost.

I worked for the Massey-Ferguson Company some years ago, as their doctor, and one of the instructions was: "If a man is injured, and you can prevent reporting it by keeping him, keep him on. We will pay him his pay; he will get his pay all right; the man does not lose anything; but do not report it because it is going to push up our costs." And this works out all right for the worker in most cases, but in some cases it can work out tragically.

Because, if we have a case where a man apparently has a small injury, and he is kept on the payroll, even if he is just sitting in the first aid room the whole time—and there have been cases like that, at Massey, I have seen them; I looked after them—and the man received his pay and he did not lose anything. But the great danger here is if, subsequently, there is trouble from that accident. If a year from now, two years from now, that man develops some future problem, let us suppose it is a back and he starts developing some trouble with that, he has no hope of going back on the compensation board because the accident was never reported.

This is why firms that try to keep down their expenses, by paying the workmen for his time off in the hope that he will get back

quickly and there will be very little expense, are doing a great disservice in some cases to the workman. And I would suggest to the Minister, his legislation should be changed to make the failing to report a compensable accident an offence. That is the only way you are going to stop this being done because otherwise you are going to find employers who are going to want to cut corners, small ones and big ones.

Now another problem, is the man who has low earnings prior to an accident. And this can happen all too often. A man can have a job where he has fairly substantial earnings, but it may be a type of job where, for seasonal reasons, or for a slowing down in his work, his earnings go down temporarily for a few weeks. And at that time he has an accident.

His compensation will be based on his earnings for the period immediately prior to that accident, no matter how high they were for the years preceding. And the result is that, even though the accident may be permanently disabling—he may never work again—whether it is permanently disabling or temporarily disabling, his compensation will be unduly low because of this factor.

May I suggest to the Minister another change he should have in his Act, that where this type of situation arises, the workman should be allowed to go back a further period in the records so that his pension or his compensation, as the case may be, will be brought up to a reasonable level? Now I think this a fairly obvious change that should occur.

There is a rather serious, and fortunately not-common problem, and that is the problem of the medical error. I am going to give an example again. I have tried to keep these examples to a minimum, but this one is an outstanding example of what can go wrong in a case, where nothing can be done because the doctor who made the medical error in the first place, rather understandably, does not wish to write up his error in a letter to the board.

Some of these cases go back a long, long time. I am rather delighted actually with some of the cases which I have won on appeal, at the board. Some of them go back many, many years. But some of them are not possible to appeal because you cannot get the medical evidence, and yet they are so clear cut.

A case that I want to bring to the attention of the Minister is that of Mr. Charles Kerr, 458 Victoria Avenue in Windsor, Ontario. His claim number is C-4161178. I am going to go into this case in some detail because it illustrates the rather horrible disaster that can happen to a workman and where there does not seem to be anyone you can turn to. You must forgive me, I tried to keep these cases as brief as possible, but this one is going to take a little time.

I have a letter here from the board which I received a few weeks ago, which sums the situation up as far as the board is concerned.

> Mr. Kerr has claimed that the paralysis of his right arm was the result of an accident on February 25, 1957, while he was employed by the Ford Motor Co., Windsor, Ontario. While at work, he was pulling on a wrench which loosened suddenly, causing him to strike his elbow on a machine; his condition was diagnosed as a right tennis elbow and total disability payments at the rate of $56 a week were paid from February 27, 1957, to April 8, 1957.
>
> Mr. Kerr has been to various medical specialists. Their reports have not provided objective findings to account for the right arm paralysis. Mr. Kerr has appealed his case to the review committee and to the appeal tribunal, resulting in a hearing at our offices on February 17, 1967. Subsequently, he was granted a hearing before the board on April 6, 1967. After consideration of his claim, throughout the appeal system, it has not been established his right arm paralysis arose out of or in the course of the employment on February 25, 1957.

Well, Mr. Kerr came to me with his story and I went into it in some detail. This is one case I am convinced is legitimate. And yet, apparently, we cannot appeal any more. We have gone through the whole appeal level and yet here is this man with a paralyzed arm, who, for the past 11 years has not been able to get any compenastion.

I have a letter here from a lawyer in Windsor, who set the details out of what actually happened and I want to read this into the record because in my opinion this is a flagrant case where doubts were resolved against the workman.

There is an affidavit here signed by the workman:

> After working for the Ford Motor Co. of Canada for 16 years, without any loss of time from my job due to illness, I sustained a slight bruise to my right elbow midway between the wrist and elbow. The skin was not broken and it healed completely in four days. This happened at the close of my work shift at 3:30 on February 25, 1957. The next day, after working at

my job in a regular manner for about two hours, my foreman came along and inquired about the injury.

I told him that while it was swollen a little, it was not sore nor painful and it would be all right in a few days. He suggested to make sure that I go into the first-aid room for treatment and see what the doctor would suggest because this was the company rule.

And a very sensible company rule, let me interject.

Dr. Parker of the first-aid treated the bruise by plunging a needle into my right elbow and when he withdrew the needle my arm felt paralyzed. I have never been able to use it since.

Well now, to digress for a moment: Here is a case where a man has an injury at work, a minor injury, the doctor intending to help him, I am sure, put a needle into that bruise, intending to take out the blood clot and give relief. I am not suggesting the doctor did not do what he did with the best of intentions, but as a result of putting that needle in, he accidentally severed the nerve which applies the power to your lower arm. But, surely, this a direct result of that accident, and yet in spite of the clear-cut circumstances; in spite of the fact there was no other accident; in spite of the fact there is no medical evidence to indicate any disease that might have caused it, the compensation board turned down the case.

Now, I suggest to you that the compensation board turned down the case largely on the basis of the report that was put in by the doctor, Dr. Parker, who was involved in this accident in the first place. I can well understand Dr. Parker would be reluctant to send a letter saying, "Oh, gee, it is too bad, I happened to cut the man's nerve, he can't use his arm any more, you are going to have to pay him a pension for the rest of his life." The doctor might be a little hesitant to say that because he might have a little matter of a malpractice suit on his hands, it is possible. I am sure he was a little unhappy about the situation. I am sure he did not want the man's arm disabled, but it did occur, and the man has never been able to collect a penny for this.

Now, there is a lengthy deposition that has been made here by the man, by his lawyer, I will not take the time to read it all, but he did go down to the metropolitan clinic in Detroit, Michigan to get their opinion of what occurred. Their report is attached here and it reads: "Probable ulna nerve injury with marked anxiety reaction."

Well, we can understand the anxiety reaction. I would be a little anxious too if my arm had become paralyzed and I was not able to work for the rest of my life. But here they say "probable ulna nerve injury." This is from a first-grade clinic, an international clinic, and yet despite all this nothing apparently can be done. We seem to have reached a dead end.

So I say to the Minister through you, sir, 11 years late in the case of Charles Kerr, when a case of this type occurs, first of all I say to him for goodness sake, re-open this case, have another look, even though it has gone through all levels of the board, because I think if you look at the facts in this case you will agree with me that this man has been done a grave injustice and it is not too late to repair that particular injustice.

But even more important than Charles Kerr is that this is not a unique case. I suggest to the Minister that when there is a question of a case like this arising where the problem may have arisen from the treatment, and there are a number of other cases which I have presented to the board, of similar types of things occurring, perhaps you should have other medical opinions, not just as to what can be found but in what light it occurred, because it is understandable that the doctor may be somewhat less than frank.

Now, one other matter. Nursing care in the home. I have a gentleman by the name of Samchuk—I will not go into the details of his case—who had an injury. He subsequently was treated in hospital, subsequently was sent home where he required certain nursing care for which a nurse was brought in. There is nothing apparently in the Act which allows for payment of nursing care in the home. And I would suggest that this is an error; this is either an error or an omission, and this should be put in. There are certain cases where a man does not have to be in hospital; he is not that sick and yet he will require some home nursing care. I would suggest to the Minister that there should be an amendment or an addition put into the Act so that when the board agrees, and in this case I think the board does agree, that nursing care in the home can be paid for.

One other minor matter. If a man has an accident, goes off on compensation, receives his compensation, and goes back to work, and later, some time later, perhaps a year, two years, ten years later, his accident, that

same accident begins to cause trouble again and he is forced to go off on compensation again, as the law now stands he will receive his compensation based on his previous earnings. Now, there are two ways of looking at it. If it is a permanent disability, it is figured on one basis; if it is a temporary total disability it is figured on another basis.

Let me say to the Minister—this is wrong. I think the board agrees this is wrong. I think the Minister will agree with me this is wrong. If a man suffers loss of time due to an accident, regardless of when that accident occurred, whether it was 20 years ago, or two days ago, his pay for his time off work should be based on his most recent earnings. Because over the years his earnings have gone up. All earnings have gone up, and that should apply whether it is total temporary, or whether it is total permanent, or whether it is a pension, because, after all, the fact that the man earned so much less 20 years ago is not going to help his responsibilities today. I am sure the Minister will agree with me this is a change that should be made.

I am going to finish off now with one final type of case, and I am specifically referring to the matter of silicosis. In fact there are two cases, I guess, I should refer to; I will not be able to get them both done today. Silicosis is covered in the Act very well; and when workmen develop silicosis and can prove it, they have no problem. But there is a related problem which is not covered, relating to workmen who develop silicotic-like conditions, due to the pollution of the air at work, but as the Act is worded, many of them can collect nothing. Now silicosis is not always caused by silica; or at least silicotic-like conditions are not always caused by silica.

Conditions which break down the lung, which prevent you breathing, which cause asthma, which cause emphysema, can be brought on by numerous other dusts or poisons. But if it is not silica itself, the workman is just out of luck. Now, there is a very outstanding case. A man by the name of Stepowski, and there will not be time to go into that today, but perhaps we will Monday.

But, just today, I want to mention to the Minister a case of Mr. B. Tepuric. Now I mentioned this case here in the House before; it has gone now through every level of appeal and has been turned down, probably quite properly as the Act is now drawn. I am not suggesting that the persons who heard the appeal did not behave with all consideration because they did. But as the Act is now drawn, they literally could not give this man his compensation. And yet, this is a man who worked at International Nickel. He worked for two years in the smelter where, I understand, there is a great deal of pollution, and then he moved to the refinery, where he worked for some ten years, gradually over those years, developing emphysema. Before he went to work for Inco his lungs were perfectly fine, no problems. X-rays taken back in 1948-49 show that his lungs were completely clear, yet he spent two years in the smelter, then these other years in the refinery, and gradually developed emphysema. And he came down to Toronto with a letter from his doctor in Sudbury, a pretty brave doctor let me say, who said this man had developed emphysema as a result of polluted air at his place of employment.

Well, we appealed this; I appealed it to the appeal tribunal; my wife appealed it at the board. Unfortunately, I had to be here in the House, and I could not appear in front of the board. The International Nickel Company brought in a great deal of high-priced talent to argue that the air at Inco is purer than anywhere else in the world, and that he could not possibly have developed this problem up there because they are pure, and if there was any pollution it certainly was not in the place where he worked for the past eight or nine years. He had not worked in the other place for all that time. He was only there two years anyway and therefore he should not receive any compensation. So he received no compensation. Well, I suggest to the Minister that the section on silicosis and the section on pollution of the air is going to become more and more common. This problem is going to become more and more common because we have not tackled the problem of air pollution in certain places, particularly places like Inco, where they clean the air out before the inspectors arrive—they get the blowers going.

So the government does not really know what is going on. I have figures here which were supplied to me by the union. They sneaked in machines to measure the level of pollution and it is so high that if we had it in here, none of us would come in here without a gasmask. And yet people cannot wear gasmasks all day long at their employment, and so many of these people develop complications—so it is pretty hard; they cannot

collect on the emphysema. Yet as we read the Act, it says—they can collect only if—"This is a problem that is peculiar to the industry and common to the industry."

But how can you prove it is peculiar or common to the industry. Sure we know that workers at Inco and workers in Sudbury get a higher level of emphysema, but this is not enough to get them the compensation and International Nickel will fight to the death, any chance to give one workman this type of compensation, because if we win it for one, suddenly they are going to have dozens, perhaps hundreds, pleading for this type of compensation. And so they fight very, very strongly, very successfully and very inhumanely, because this man, I am convinced, developed his problems from breathing polluted air at the International Nickel Company. Yet we cannot get any compensation for him as the Act is now drawn.

I would like to suggest to the Minister, through you, sir, that this portion of the Act should be redrawn so that any type of lung or body disablement that occurs, as a result of breathing polluted air at work should be covered and the workmen should receive compensation.

I have a few other matters to go on to, sir, but the next one is rather lengthy, and noting the hour I would suggest we adjourn the debate.

Mr. Shulman moves the adjournment of the debate.

Motion agreed to.

Mr. White: May I just take one minute here? Thanks very much to the member for High Park (Mr. Shulman) for leaving time for the rest of us. Really, this display of selfishness is more than I can tolerate.

Mr. Shulman: I offered to yield the floor to the hon. member an hour ago.

Mr. White: I want to make three points very quickly here, and they are all important.

It is unreasonable to ask injured workmen from western Ontario to come down to an office in Toronto on minor administrative matters and there should be an office in western Ontario.

Point two—

Mr. Speaker: The member for Windsor West has a point of order.

Mr. H. Peacock (Windsor West): Mr. Speaker, is it not the case that you have a motion before you to adjourn the debate?

Mr. White: No, he does not.

Mr. Speaker: The member for Windsor West is quite correct, the motion had been put to adjourn.

Mr. White: Who put the motion?

Mr. Speaker: The motion had carried.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 2:00 of the clock, p.m.

APPENDIX A

(*See page* 6022)

Answers to questions on the order paper were tabled as follows:

39. *Mr. Ferrier*—Enquiry of the Ministry—(*a*) Is the Ontario Northland Railway seeking to cancel passenger service on the Nipissing Central Railway from Swastika to Noranda; (*b*) if so, why?

Answer by the Minister of Energy and Resources Management:

(a) Ontario northland commission have made no final decision on this matter.

59. *Mr. Nixon*—Enquiry of the Ministry—What government departments, other than The Department of Lands and Forests, make use of the temporary help services industry described in the *Globe and Mail* as "slave market labour"?

Answer by the Prime Minister:

In connection with the instance mentioned in the May 23, 1968, *Globe and Mail* article, The Department of Public Works called for estimates from a register of approved moving contractors, established by the Toronto Cartage Association (movers' division). The lowest estimate was accepted, final payment to be based on the actual number of hours taken to complete the work by the various categories of workmen involved. The hourly rates to be paid were in accordance with the requirements of the Metro licensing commission, at rates set out under bylaw 67, tariff A.

The following departments have used the services of commercial agencies during peak periods: Highways; Labour; Public Works; Provincial Secretary; Trade and Development; Tourism and Information.

61. *Mr. Reid* (Scarborough East)—Enquiry of the Ministry—1. (*a*) How many superannuated Ontario teachers receive $1,500 or less a year from the provincial government's teachers' superannuation fund and the Canada pension plan; (*b*) how many receive between $1,501 and $2,000; (*c*) how many receive between $2,001 and $2,500; (*d*) how many receive between $2,501 and $3,000; and (*e*) how many receive more than $3,000? 2. What is the average age of superannuated Ontario teachers in each of the pension benefit classes noted in Question No. 1 above, that is (*a*) $1,500 or less; (*b*) $1,501 to $2,000; (*c*) $2,001 to $2,500; (*d*) $2,501 to $3,000; and (*e*) more than $3,000? 3. (*a*) What would have been the increased outflow of funds from the Ontario teachers' superannuation fund in 1967, if the minimum pension benefit had been $2,000 instead of $1,200; (*b*) how many superannuated teachers would have been affected; (*c*) what was the average age of such teachers (in 1967); (*d*) how many of these teachers retired at age 62; and (*e*) how many were women? 4. (*a*) What would have been the increased outflow of funds from the Ontario teachers' superannuation fund in 1967, if the January 1, 1966 amendment to The Teachers' Superannuation Act, whereby teachers' pensions were henceforth calculated on the basis of the best seven years of salary *had also applied to teachers already on pension*; and (*b*) what is the policy of the governments of British Columbia and Saskatchewan with regard to the inclusion of additional pension benefits to teachers already retired at the time of amendment?

Answer by the Minister of Education:

1. (a) Number of teachers receiving $1,500 or less—2469.

(b) Number of teachers receiving $1,501 to $2,000—1132.

(c) Number of teachers receiving $2,001 to $2,500—935.

(d) Number of teachers receiving $2,501 to $3,000—825.

(e) Number of teachers receiving over $3,000—3258.

2. (a) Average age of teachers receiving $1,500 or less—73.5.

(b) Average age of teachers receiving $1,501 to $2,000—71.0.

(c) Average age of teachers receiving $2,001 to $2,500—69.8.

(d) Average age of teachers receiving $2,501 to $3,000—70.6.

(e) Average age of teachers receiving over $3,000—67.7.

3. (a) Increased outflow if $2,000 was the minimum, instead of $1,200—$1,634,076.47.

(b) Number of pensioners affected—2948.

(c) Average age of those affected—71.8.

(d) Number retired at age 62—279.

(e) Number of women—2774.

4. (a) The increased outflow of funds from the Ontario teachers' superannuation fund in 1967, if the January 1, 1966 amendment to The Teachers' Superannuation Act, whereby teachers' pensions were henceforth calculated on the basis of the best seven years of salary, had also applied to teachers already on pension, would be $1,530,000 a year, or a capitalized value estimated at $16,300,000.

(b) Teachers' superannuation plans differ among the provinces and are not directly comparable. While there have been a variety of changes made to the plans there is no information concerning any announced policy on the part of the provinces mentioned.

APPENDIX B

(See page 6052)

Resolved,

That supply in the following supplementary amounts and to defray the expenses of the government departments named, be granted to Her Majesty for the fiscal year ending March 31st, 1968:

Department of Energy and Resources Management:	
Special Grant	$ 349,900
Department of Health:	
Special Grants	7,900,000
Department of Tourism and Information:	
Special Grant	500,000

Resolutions concurred in.

Resolved,

That supply in the following amounts and to defray the expenses of the government departments named, be granted to Her Majesty for the fiscal year ending March 31st, 1969:

Department of Agriculture and Food:	
Departmental Administration	$ 1,613,000
Finance and Administration Division	11,837,000
Production and Rural Development Division	17,821,000
Marketing and Special Services Division	5,466,000
Agricultural Education and Research Division	14,331,000
Departmental Administration	200,000
Department of Attorney General:	
Main Office	254,000
Administration and Finance Division	1,178,000
Office of the Legislative Counsel	200,000
Ontario Law Reform Commission	190,000
Office of the Senior Crown Counsel	273,000
Criminal Law Division	2,896,000
Administration of Justice Division	35,010,000
Public Safety Division	3,859,000
Board of Negotiation	75,000
Ontario Police Commission	1,108,000
Ontario Provincial Police	38,138,000
Department of Civil Service:	
Main Office	109,200
Pay and Classification Standards	436,500
Recruitment	507,800
Staff Development and Research	631,400

Administrative Services	156,500
Management Information Services	247,500
Planning and Audit	121,500
Ontario Joint Council, Civil Service Arbitration Board and Grievance Boards	44,100
Publications	97,000
Employee Services	56,500
Department of Economics and Development:	
Main Office	3,772,000
Ontario Economic Council	227,000
Ontario House	284,000
Immigration Branch	300,000
Trade and Industry Division	2,783,000
Ontario Development Corporation	791,000
Ontario Housing Corporation	3,704,000
Ontario Student Housing Corporation	1,347,000
Ontario Housing Corporation	49,763,000
Ontario Student Housing Corporation	12,611,000
Department of Education:	
Main Office	1,371,000
Departmental Business Administration Branch	1,560,000
School Business Administration Branch	839,000
Education Data Centre	1,980,000
Personnel Branch	183,000
Information Branch	386,000
Program Branch	13,515,000
Educational Television Branch	5,838,000
Teacher Education Branch	9,874,000
Special Schools and Services Branch	9,929,000
Applied Arts and Technology Branch	783,000
Youth Branch	136,000
Provincial Library Service	210,000
Ontario Fitness Program	226,000
Federal-Provincial, Etc.	141,613,000
Legislative Grants, Etc.	563,420,000
Miscellaneous Grants	2,515,000
Grants to Ontario Colleges of Education	6,059,000
Grant to Ryerson Polytechnical Institute	7,447,000
Grants to Colleges of Applied Arts and Technology	45,747,000
Grant to the Ontario Institute for Studies in Education	9,120,000
Teachers' Superannuation, Etc.	15,369,000
Department of Energy and Resources Management:	
Main Office	477,000
Administrative Services Branch	313,000
Energy Branch	816,000
Ontario Energy Board	132,000
Conservation Authorities Branch	2,500,000
Ontario Water Resources Commission—Operations	8,692,000
Ontario Water Resources Commission—Data Processing	245,000
Conservation Authorities Branch	5,000,000
The Hydro-Electric Power Commission of Ontario	9,650,000
Ontario Water Resources Commission	32,000,000
Water Management Program	3,000,000
Department of Financial and Commercial Affairs:	
Main Office	638,000
Ontario Securities Commission	889,000
Superintendent of Insurance and Registrar of Loan and Trust Companies	469,000
Consumer Protection Division	1,200,000

Department of Health:	
Departmental Administration	15,194,000
Financial and Administrative Services Division	1,651,000
Public Health Division	49,606,000
Mental Health Division—General Administration	15,928,000
Hospital Schools	31,248,000
Mental Hospitals	76,974,000
Medical Services Insurance Division	40,698,000
Health Insurance Registration Board	8,033,000
Ontario Hospital Services Commission	130,294,000
Ontario Hospital Services Commission	26,806,000
Department of Highways:	
General Administration	4,599,000
Electronic Computing Services	2,022,000
Operations—Head Office Administration	1,091,000
Maintenance—King's Highways and Other Roads	114,581,000
Purchasing and Other Services	9,902,000
GO Transit—Maintenance	3,546,000
Construction and Other Capital Projects	271,499,000
Planning and Design	16,324,000
Property Purchases and Related Services	27,983,000
Research and Sundry Engineering Services	5,503,000
GO Transit—Capital	6,830,000
Department of Labour:	
Main Office	1,987,000
Industrial Training Branch	7,377,000
Conciliation Services	520,000
Labour Standards Branch	1,042,500
Labour Relations Board	613,000
Safety and Technical Services	3,431,500
Human Rights Commission	250,000
Research Branch	364,500
Systems and Data Processing Branch	356,500
Labour Standards Branch	14,500,000
Department of Lands and Forests:	
Main Office	3,158,000
Fish and Wildlife Branch	1,004,000
Forest Protection Branch	290,000
Lands and Surveys Branch	1,686,000
Parks Branch	288,000
Research Branch	1,148,000
Timber Branch	1,448,000
Ontario Forest Technical School	278,000
Junior Ranger Program	1,100,000
Basic Organization	37,302,000
Extra Fire Fighting	750,000
Lands and Surveys Branch	325,000
Timber Branch	1,600,000
Parks Branch	9,300,000
Office of Lieutenant Governor:	
Office of Lieutenant Governor	38,000
Department of Mines:	
Main Office	807,000
Geological Branch	1,700,000
Mines Inspection Branch	491,000

Laboratories Branch	301,000
Sulphur Fumes Arbitrator	30,000
Mining Lands Branch	496,000
Main Office	1,000,000
Department of Municipal Affairs:	
Main Office	1,297,000
Community Planning	1,128,000
Municipal Finance	866,000
Municipal Administration and Assessment	1,073,000
Subsidies, Grants and Payments to Municipalities	224,877,000
Ontario Municipal Board	651,000
Main Office	5,707,000
Department of Prime Minister:	
Main Office	202,000
Cabinet Office	107,000
Office of Provincial Auditor:	
Office of Provincial Auditor	774,000
Department of Provincial Secretary and Citizenship:	
Main Office and General Departmental Expenses	643,500
Companies Branch	727,000
Citizenship Branch	990,000
Queen's Printer	286,000
Registrar General's Branch	999,000
Legislative Services	3,238,000
Department of Public Works:	
Main Office	1,015,000
Real Estate Branch	7,970,500
Administration and Finance Division	3,901,500
Operations Division—Administration and Maintenance	11,680,500
Water Control Branch—Maintenance of Locks, Bridges, Dams and Docks	225,500
Administration of Justice	5,410,000
Purchasing and Supply Division	51,000
Real Estate Branch	2,565,000
Purchasing Branch	482,000
Operations Division—Public Buildings and Services	49,154,500
Water Control Branch—Construction of Dams, Docks, Locks and Improvements to Flow Channels	1,075,500
Administration of Justice	1,800,000
Department of Reform Institutions:	
Main Office	2,850,000
Parole and Rehabilitation Service	1,608,000
Institutions (Ontario Reformatories, Industrial Farms, Juvenile Institutions and Provincial Jails)	32,106,000
Industrial Operations	3,629,000
Department of Social and Family Services:	
Main Office	707,500
Family Benefits Branch	110,772,000
Municipal Welfare Administration Branch	41,164,500
Family Services Branch	433,000
Field Services Branch	2,985,000
Child Welfare Branch	34,232,500
Day Nurseries Branch	1,905,000
Homes for the Aged Branch	26,770,000
Office on Aging	347,000

Vocational Rehabilitation Services Branch	4,057,000
Indian Development Branch	1,428,000
Legal Aid Assessment Branch	543,000
Research and Planning Branch	200,000
Finance and Administration Division	1,533,500
Department of Tourism and Information:	
Main Office	140,000
Administrative Branch	366,000
Information and Promotion Division	2,509,000
Tourist Industry Development Branch	993,000
Public Records and Archives	623,000
Theatres Branch	146,000
Travel Research Branch	180,000
The St. Lawrence Parks Commission	2,510,000
Huronia Historical Parks	870,000
The Centennial Centre of Science and Technology	2,526,000
Department of Transport:	
Administration	1,540,000
Drivers Branch	4,814,000
Vehicles Branch	4,000,000
Common Carriers	451,000
Highway Safety Co-ordination and Promotion	606,000
Motor Vehicle Accident Claims Fund	982,000
Transportation Planning	619,000
Treasury Department:	
General Administration	220,000
Finance and Economics—General Administration	216,000
Economic and Statistical Services Division	1,027,000
Finance Division	177,000
Government Accounts Division	14,350,000
Policy Planning Division	1,691,000
Revenue—General Administration	141,000
Administrative Division	1,485,000
Legal Services Branch	141,000
Revenue Division	8,167,000
Computer Services Centre	250,000
Ontario Racing Commission	2,182,000
Pension Commission of Ontario	175,000
Treasury Board Secretariat	1,087,000
Department of University Affairs:	
Main Office	1,006,000
Grants to Universities and Colleges	249,475,000
Grants to Museums and Galleries	3,125,000
Student Awards	32,086,000
Miscellaneous Grants	39,000
Committee on University Affairs	251,000

Resolutions concurred in.

Legislature of Ontario Debates

No. 160

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Monday, July 22, 1968

Morning Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JULY 22, 1968

The House met at 10.00 o'clock, a.m.

Prayers.

Mr. Speaker: We are to have with us sometime this morning a group in the west gallery from Whitby psychiatric hospital. I am sure that we welcome them if they are here, and if they come later they will be welcome when they arrive.

Petitions.

Presenting reports.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the annual report of The Department of Education for the year ending December 31, 1967.

Mr. Speaker: Motions.

Introduction of bills.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, before the orders of the day, I have three questions remaining of the Ministry. The Cabinet Ministers are not in the House at the moment, but if you would permit me.

One in particular has been pending since last Thursday. It might be possible for me to put them on the record and then for the hon. Ministers to reply when it is convenient, sometime later, just in the event that the House might perhaps reach adjournment today. Would you give me your comment on that, sir?

Mr. Speaker: I would think that it would be a very sound procedure, and that it could be followed by the other members who have questions. Then the question period will be cleaned up so far as is possible within the rules of the House.

Mr. Nixon: Thank you.

The first is for the Minister of University Affairs (Mr. Davis). Under item 23(c) of The Department of University Affairs, application for student awards; why is it no longer possible for a student previously enrolled at an Ontario university, who had a fulltime job for 12 months prior to such enrollment, to continue to receive student awards under the age of 21?

Under item 32 to 35 of the same application form; why must a student under 21, not living at home and in no way supported by a parent, parents or legal guardian, request such persons to fill in these items?

Is the Minister prepared to review the applications of Miss Olivia Manister of Toronto, and Miss Helen Wainwright, of Toronto, who are not receiving assistance from a parent, but are under the age of 21 and already enrolled in York University?

The second question is for the Minister of Education (Mr. Davis). Will the Minister make a statement on the resignation of Mr. T. N. Carter, and Mr. R. D. Armstrong of the board of governors at Ryerson polytechnical institute?

What is the reason for delay in the expansion programme at Ryerson polytechnical institute?

Finally, a question for the hon. Minister of Municipal Affairs (Mr. McKeough). Will the Minister extend the July 24 time limit for submissions from the Lakehead municipalities on the Hardy report for the duration of the postal strike?

Mr. Speaker: There will be some other Ministries whose Ministers are not present this morning.

The member for Cochrane South has a question.

Mr. W. Ferrier (Cochrane South): My question is for the Minister of Energy and Resources Management (Mr. Simonett).

Is Ontario Hydro using rainmakers in northeastern Ontario that are contributing to the abnormal amount of rain in that part of the province?

Mr. Speaker: The member for High Park.

Mr. M. Shulman (High Park): Mr. Speaker, as my Minister is not here, perhaps I will bring this matter up under the Budget debate.

Mr. D. C. MacDonald (York South): There was a question dated July 19 by the hon.

member for Peterborough (Mr. Pitman). Has that been put on the record?

Mr. Speaker: I have one dated July 19 by the member for Peterborough of the Minister of Education and University Affairs, and another of the same date, neither of which, so far as I know, have been put on the record.

Mr. MacDonald: Perhaps I might do so. These should be on the record on behalf of the hon. member from Peterborough.

The first one was: What steps will the Minister take to see that final approval is given immediately to the Innis College building plan, to prevent the phasing out of Innis within four years by not accepting new students, as is proposed by the college council as reported in the Toronto *Daily Star* July 18, unless approval for the new building is given?

And the second question to the Minister of Education and University Affairs by the hon. member for Peterborough—will any information on teachers in the hands of The Department of Education such as inspectors' reports, OCE standing, and so on, be released to the Metro Toronto school board central data bank?

Mr. Speaker: The member for Yorkview has a question.

Mr. F. Young (Yorkview): Yes, Mr. Speaker, I have a question of the Minister of Education and University Affairs.

Has the Minister given consideration to making provincial financial assistance available to York University in order that York might move quickly to build its school of public administration? If so, what action is contemplated?

Mr. Speaker: The member for Lakeshore likewise has a question.

Mr. P. D. Lawlor (Lakeshore): Thank you, Mr. Speaker. I have a question for the Minister of Education and University Affairs. Is it correct that the director, R. A. Mackay, the director of physical planning, George Wildish, furniture co-ordinator, Lionel Socberin, and an architect, Mrs. Lily Steen, all on the permanent staff of Ryerson, were all dismissed without notice? If so, what was the reason for the dismissals?

Mr. Speaker: I have, among my unasked questions, one from the member for York South for the Minister of Social and Family Welfare from July 15. Does he wish to look at it?

Hon. J. Yaremko (Minister of Social and Family Services): Mr. Speaker, I would be very happy to both accept and answer the question.

Mr. MacDonald: Thank you, Mr. Speaker, I would hate to have the Minister outdo himself this morning. The question was: Will the Minister introduce legislation immediately which will enable blind or disabled persons in receipt of old age security to receive additional moneys under the family benefits Acts to bring their monthly income in line with blind or disabled persons who do not receive a pension under The Old Age Security Act?

Hon. Mr. Yaremko: Mr. Speaker, no legislation in this regard is being considered at this time. Municipalities are presently permitted to provide additional assistance to the recipients of old age security when necessary. This assistance is shareable with the province.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, with respect to the question to the Minister of Municipal Affairs, I would like to give the answer to that on behalf of the Minister. It is: Time will be extended until three days after the postal strike.

Mr. Speaker: As the leader of the Opposition has said, there may not be an opportunity for similar remarks, comments, and questions this session. I would like to read, as I have done in the past, for the information of the members and so that it may be on the record, the names of the many friendly young men who have served us as pages since June 26, when the House reconvened. They are: Fred Cass, Belleville; Richard Deacon, Unionville; Lorne Derraugh, Etobicoke; Larry Gideon, West Hill; Paul Gilmour, Toronto; Blair Gohl, Willowdale; Russell Green, Downsview; Paul Hammond, Oakville; Peter Jong, Toronto; Larry Kerr, Burlington; Teddy Kogler, Toronto; William Lochead, Forest; Simon MacDowall, Willowdale; David McClurg, Port Credit; Larry Molloy, Downsview; Gerald Papiernik, Toronto; Barnaby Ross, Toronto; Anthony Roy, Toronto; Jeffrey Seidman, Downsview; Mark Stokes, Schreiber; Douglas Thiers, Port Credit; David West, Willowdale; and David Wheeler, Clarkson.

As the members will note, the boys who have served us come from all parts of Ontario, and it is my hope that when the House reconvenes in another session, we may likewise have representation from the various parts of Ontario. I have already asked for and re-

ceived the co-operation of the members to this end. While I am on my feet, and with the members' permission, I would like to express, not only to the House leader, and the leader of the official Opposition, and the leader of the New Democratic Party, but to all the members, my utmost appreciation for the courtesy with which a new Speaker was greeted, and the manner in which, from time to time at least, the business of the House has been expeditiously dealt with and on other occasions. I think we all enjoyed it together, and a great deal was accomplished. A great many matters of foremost concern in the minds of both the members, and their constituents, have been discussed in this House, which is one of its most important purposes. I say to each member, individually, a hearty thanks for courtesy, co-operation, and assistance in the work of the House, particularly during these gruelling hot times that we have had in the last weeks.

Hon. Mr. Rowntree: Mr. Speaker, as you pointed out, this could be the last day of the session, and I would think on behalf of the members of the House, who have not only enjoyed the session, but who have learned a great deal, under your guidance, we would like to express a sincere word of appreciation for not only the courtesies that you have extended to us, but for your tolerance and your understanding.

Mr. Nixon: It may be just a bit too early really for these expressions, but I want to join with the House leader certainly in extending our congratulations to you, sir, and our thanks, not only for your work here, but for your hospitality and good spirit on many occasions.

Mr. MacDonald: Well, Mr. Speaker, I think hon. members on many occasions at the beginning of their Throne and Budget debates have expressed their appreciation. We have had our moments of difference and undoubtedly we will have them again but that is all part of the political game. I would like to join with others in wishing you well for the future as you have battled it out in the past.

Mr. Speaker: Orders of the day.

Clerk of the House: The third order, resuming the adjourned debate on consideration of the report of the workmen's compensation board, Ontario.

WORKMEN'S COMPENSATION BOARD
(Continued)

Mr. M. Shulman (High Park): Mr. Speaker, you will be delighted to hear I am almost through.

To conclude, I wish to refer to one case as an example of the difficulties that individuals can run into under the Act as it now stands in reference to silicosis. I was referring to the problem of individuals who develop lung trouble as a result of polluted air at their environment, when we last met. I have a case here which outlines not only that, but a number of the other problems. It is typical of a clear-cut case where medical experts recognize that the man's lungs have been destroyed by an occupational disease where a medical certificate is supplied stating that this is definitely the result of an occupational disease where the history is clear-cut. Yet, the workman cannot collect a penny for the simple reason that the Act, as it is now drawn up, does not cover this type of problem, except if silica itself is involved.

Mr. Speaker, I am a little disturbed that the Minister is not in the House, because most of these remarks are really intended for him. It would be difficult for him to answer questions on this matter if he is not here to know what is going on. However, the case I am referring to is that of a Mr. Joseph Stepowsky, claim number 639,5634. I have a certificate here from his physician which sums the problem up very simply.

It is rather brief, so I would like to read the pertinent portions of this. This is a certificate signed by Doctor Ziegler, his family doctor:

> Mr. Joseph Stepowski came to my office last year on February 26 because of feeling very weak and short of breath. Because of this, he was unable to perform his work. My examination of this man at that time was very thorough and my findings at that time were as follows.

I will not go into the details here, but the physical examination is essentially negative, with the exception of finding some cough and some infection in his chest. He goes on:

> I prescribed penicillin capsules three times daily. I am Mr. Stepowsky's personal and family physician and have been for the past nine years and at no time has he ever been allergic to penicillin.
>
> The next day he called me at my home stating that he felt worse and in the morning had some rash over his body. I stopped

the penicillin and the rash subsided. I then prescribed an antibiotic, watching him very closely. When he did not report that he felt better, I told him to remain in bed and wait for the results of bed rest. On March 8 I sent him for x-rays to Doctor Boron at 272 Roncesvalles Avenue. The x-rays showed extensive bilateral infiltration of the lungs. Bronchial vascular markings [these were the markings on the chest] were dense and diffused. Fibrotic change was present throughout the small islands of dense fibrosis. These changes were thought to be the result of occupational hazards in the absence of this chronic pulmonary fibrosis.

A suggestion was made of a cavity in the upper left lung field and these doctors advised me a test for TB should be made. Following their suggestion, I sent my patient to the Gage institute on March 17. An x-ray of the lungs showed extensive infiltration through both lungs. The tuberculin test for tuberculosis was negative. Two days later his condition suddenly deteriorated. He developed blood in the urine, a heavy puffed face, and his urine became filled with protein and infection.

I rushed him to St. Joseph's hospital for admission.

It then gives the results of what occurred in the hospital. I will not take the time of the House by reading that except for one line:

There was an extensive investigation for almost every possible disease, all with negative results. Four tests of liver function showed high abnormal values.

In the hospital chart there is mention that his abnormal liver test was due to congestion in the lungs, and he goes on to these other tests.

On May 28 he was discharged from hospital and went home. He was put in my care again and came regularly to see me every week for nine months. I asked him what kind of work he was doing for the John Inglis Company and he told me he was doing special work, having been given a big piece of high quality steel for polishing.

I asked him how he was doing it and if there was grinding. He told me he was using some special treatment of polishing the surface of the metal, treating it with some red liquid time and again every twenty minutes, and then spraying the surface from a container with a rubber atomizer. He was doing this work for a period of two weeks.

As mentioned in the hospital chart, since beginning that work, he began to feel weak and tired and his condition slowly deteriorated until February 25 when he quit working because he was very sick. His disclosure about the type of work led me to a positive opinion about his condition. I have made further inquiries and this last-mentioned work was treatment of metal for detecting cracks in the metal. The material used contained water fluoristan, with powder containing mercury, nickel and probably molybdenum. I asked him if he knew the name of the company producing this product for detecting cracks in metals and he said he was not interested in this and could not tell me; he just did what he was told at John Inglis. It took nine months of investigation on my part to find this method of detecting cracks in metal which is probably the newest one. He was doing this work for two weeks in December before taking ill.

I remember exactly when he first came to me complaining of shortness of breath. He told me he felt there was something in his lungs which he could not expectorate, and asked me at that time to give him some medicine for it, in an effort to get it out of his lungs. When I asked my patient why he did not disclose having done this last-mentioned type of work to the doctors in the hospital and to myself, he told me that he had been forbidden to tell anyone of this special work. He thought he was just polishing metal the same as he had been doing for the past 11 years.

On the grounds of the above findings, I am positive that his condition was precipitated by inhaling salts of heavy metal in his lungs and it caused this condition.

Now, together with this salt injury to his lungs and the damage to the kidneys, it is quite understandable that all of this occurred from these metals and that the abnormal tests of liver functions were also due to metal poisoning. Unfortunately, we did not realize what the trouble was at first and so we did not make a metal count of his urine.

About three weeks ago I got positive information about this method of testing metal and in conjunction with this I sent his urine to the department of industry and hygiene and spoke with the chief of this

department. He told me there is very little hope of detecting the metal after one year. In spite of this, there is the fact that his urine today contains nickel, and one litre contained mercury of .006 milligrams. As he never worked with nickel or mercury products before in his life, and he had never been treated for any disease that would require this type of heavy metal, this abnormal amount of nickel and mercury in his urine is positive proof of metal poisoning.

It goes on at some length and I shall not go into that because that is the sum of it. Here is a man who was doing his work of polishing at John Inglis; a new method of detecting cracks by using this solution was found and he quite innocently used the solution. There is no question in my mind—there is no question in his doctor's mind—there is the proof of finding the metal in the urine one year later, that he was poisoned by mercury and nickel, and yet what is the situation when his doctor applies for compensation? Compensation is turned down. I got in touch with the compensation board to find out why this had occurred, and I received this letter back from the compensation board and it sums it up very, very well. It is called "Status Report—Joseph Stepowsky."

Mr. Stepowski has been employed by the John Inglis Co. of Toronto since 1951, performing various jobs, including intermittent grinding. He filed a claim in April, 1965, for silicosis.

May I say the reason the claim was filed for silicosis is this is the only way under the Act that a claim can be filed for this type of poisoning.

The workman was under medical care and admitted to St. Joseph's hospital on March 24, 1965. The medical information disclosed that Mr. Stepowski had a nephrotic syndrome, the cause of which was not clear. The Department of Health industrial hygiene branch reports on June 29, 1965: "There is no indication of silica exposure to Mr. Stepowski at the John Inglis Co."

I might interject that this seems quite reasonable inasmuch as there is no silica at John Inglis Co.

"He was exposed to a mixture of iron and abrasive dust that might have averaged as high as 20 m.p.p.c.f. for 11 years. This, however, could not cause silicosis."

If I might interject again, that was not a very brilliant conclusion.

Mr. Stepowski was examined by the silicosis referee board and their report of August 27, 1965, reads:

"Silicosis, according to the Act, is not present. There is no proven significant silica exposure in Ontario. Nor is there proven exposure to other hazardous inhalants in this province.

"Re-examination does not seem indicated."

The claim was rejected and the workman was advised on September 3, 1965, and informed of his right of appeal. The workman appealed the decision and the claim was referred to the review committee, who confirmed the rejection and denied the appeal. The review committee decision was appealed and a hearing before the appeal tribunal scheduled for May 2, 1968 at 8.30 a.m. And I have here the letter received on June 7 from the appeal tribunal:

Appeal tribunal orders claim for disablement arising out and in the course of employment be denied.

Well now, Mr. Speaker, we have a situation here where there is really no doubt at all that this man was poisoned at work. His lungs have been partially destroyed, his kidneys have been over 50 per cent destroyed, his liver is over 50 per cent destroyed. He will never work again—there is no question of that.

His life expectancy is very dubious at the present time. I should think that before too many years have passed we are going to have a widow who is not going to be able to receive a penny. And I say to you—and through you to the Minister—that this is a very unjust situation. And it is because of the peculiar way that this Act is drawn up that the board—and let me say again that I think the people on the board acted with good-will, they did not want to see this man rejected—but because of the way your Act is drawn up, the only way he can receive any benefits, any compensation, is if somehow it can be proven he has silica.

Of course, there is no silica, so how can you prove he has silica? The only other phrase under the Act which would allow him to receive compensation is a paragraph in the Act which states: "If this particular type of poisoning was common or peculiar to the industry." Well, of course, it was not common and it was not peculiar to the industry because he was the only one who was trying out this new process.

So in this particular case, again through you, sir, to the Minister, I ask him to intervene even if it does not come under the Act because surely this man should receive compensation. And more important than this one individual, I ask the Minister, please, change this section of the Act.

We must take the responsibility—in this province of opportunity. We should not weasel out. What we have done, really, is to weasel out of our obligations to a man whose life has been ruined because of an accident at work.

Well now, that finishes up the 20 different types of problems which arise under The Compensation Act. There is only one other comment I would like to make and it is in reference to a letter which is in today's *Globe and Mail*. It was written by one "Dalton Bales, Minister of The Department of Labour." I think this letter requires some little comment. I am quoting out of the letter, and it is referring to an editorial written by the *Globe and Mail* on July 15. It begins with some comments as to why only 75 per cent of wages are paid. This is a reasonable comment. Then it goes on:

> It is true, as you say, that the new legislation provides no increase in pensions to those disabled prior to August 1st of this year. But it must be remembered that a special study by the board showed that 91 per cent of the men and women who pass through the WCB rehabilitation service not only are placed in employment, with earnings averaging $91.87 a week, compared to a pre-accident average of $99.65, but they also have their WCB partial disability pensions too. To say that the only decent legislation would establish a single liveable pension for all ignores many factors of our mixed free enterprise and social welfare state.
>
> For example accident victims who partially recover but cannot return to their previous work are entitled to unemployment insurance in addition to benefits they receive from the WCB. Also worthy of note is the fact that, despite the fact that most of us would like to see all citizens enjoy the benefits of an affluent society, it must be borne in mind that we are not so affluent as many would have us believe.
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> With this in mind it is necessary, when considering increases of workmen's compensation benefits, to keep in mind the financial impact on industry. Business and industry pay the entire costs of the operation of the workmen's compensation board in Ontario, and since they have to compete with industry throughout the world, the government must be careful about burdens it places upon them.
>
> Believe me, as the responsible Minister, I would like to see larger pensions. But all the facts were considered, not only by the government, but also by a Royal commission. This was not deemed possible this year. However, we are not doing badly considering our present resources and the ability and proclivity of the average citizen to pay taxes, the new improvements in workmen's compensation make Ontario a leader in this field in Canada.
>
> Signed, Dalton Bales, Minister, Department of Labour.

Well there are two or three things in this letter that upset me, Mr. Speaker. First of all it is quite true that 91 per cent of the workers who are injured received fair treatment and get reasonable wages afterwards.

Actually, I would have thought it would be a higher percentage than that, but what about the other nine per cent? This is really what I have been talking about for this past number of hours—the other nine per cent. If it is less than the other nine per cent, what about the other one per cent, or the other two per cent? Because we should design our system of workmen's compensation so that every person who is injured at work receives adequate compensation for his injury. Or if that person is killed at work, so that his widow and his family or his crippled sister —if I can refer to that case again—receives adequate compensation.

To come in here and say that 91 per cent of the workers receive adequate compensation or 99.9 per cent just is not good enough. We should expect that the Minister would get up and say: "I will not be satisfied until every workman who is injured in this province receives adequate compensation."

Now to go on, as the Minister does in this letter, and plead poverty, which is what he is doing, is really almost ludicrous. True, we are perhaps not as affluent as we would like, but what disturbs me is the system of priorities that this government holds, when we can give $1.5 million to breeders to improve the breed, when we can come in here, and without a word of discussion, raise the members' pay for off-duty work from $30 to $50 a day, as was done last week. Surely, these should rank far behind the need of those workers who are injured at work, unfortunately before August 1 of this year. We came in here—was it only two days ago—and had the Minister

and Prime Minister (Mr. Robarts) get up and give us a tremendous pension plan. After five years we (members of the Legislature) get the best pension plan that anyone gets in the whole world. Three-quarters of what we pay in, we receive annually. It is great. It is wonderful. It is nice to have. But surely this should rank far behind these other things which are so essential. And so I say through you, sir, to the Minister, that this Minister and this government system of priorities, is wrong.

Those who need it should receive first, and I think those who need it primarily to be widows and the families of those who have been killed at work. The workers who are on a pension, regardless of when the accident occurred. What difference does that make? They still have to live on this sum of money, and to offer unemployment insurance as the Minister does here is inadequate.

Sure it is a temporary stop-gap, but unemployment insurance unfortunately runs out, and someone who is injured at work should not have to look for unemployment insurance. He should not have to look to welfare. He should receive adequate pay in order maintain his family at the same standard of living as he was earning before, or reasonably close to it, during the period that he is disabled. If it is a permanent disability, for the rest of his life, and for sufficient time after that to look after his children, until they reach an age where they are able to earn a living themselves.

So I am going to stop now, Mr. Speaker. I am sure there are many others who wish to contribute to this debate, but in one final sentence I just wish to say through you, sir, to the Minister, The Workmen's Compensation Act, as we have it now in Ontario, is not adequate. Do not compare it to other provinces than Ontario which have a less adequate Act. Compare it to jurisdictions in the United States who have moved ahead of us in all these fields. Really this letter of the Minister summed the problem up very well, when he says, "Business and industry pay the entire cost of the operation of the workmen's compensation board in Ontario, and since they have to compete with industries throughout the world the government must be careful of the burdens it places upon them."

Exactly that is what the problem is, therefore, if you feel you cannot put a greater burden on these particular industries, it is the duty of government to inject whatever added monies are needed to pay these pensions, to pay the workers from the public funds. There is no holy law that says the funds all have to come from industry. If you have to change the law, for goodness sake do so, because The Workmen's Compensation Act requires a complete overhaul and this last Royal commission report which was brought in, does not even scratch the surface of the needs. Thank you, Mr. Speaker.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, I have four questions or comments; they centre around the four amputees at the Kelsey-Hayes wheel plant in Windsor.

The first point has to do with the prosthetic hands or limbs, and I am wondering whether it is the policy now to provide these? If so, should this not be a retroactive policy?

The second point has to do with the method of awarding a pension, which was used some 20 to 25 years ago. One of the men had the loss of his hand, during a year in which he had worked for only six months as a result of a lay-off because of lack of orders. Now if this man had lost his hand the previous year, or in the following year, his award would have been substantially greater, but because it happened in that period, apparently it was a minimal award and I question, of course, the justice of this.

The third point has to do with the differences in awards. According to my notes, in an award made in 1943 the man is receiving $56.25 a month. Two awards made in 1954 are for $82 and $72, and one made in 1956 for $66.50. I understand that the award that would be made at the present time, if a man lost his hand, would be in the neighbourhood of $175.

Now when other pensions are awarded, the old age pensions, army pensions and other pensions of that kind, adjustments are made to allow for inflation. As far as I understand this, these awards that have been made 15 to 25 years ago still are far below the rate that would be awarded today and I should like the Minister's comments on the accuracy, if my information is not accurate, or on the justice of this.

My final point has to do with the full philosophy of the workmen's compensation board, Ontario. I am wondering whether the Minister has considered the removal of the adversity aspect from the whole method of awards? As has been pointed out fairly clearly, the company has a vested interest in the award, and quite often on the other hand, is anxious, from a profit point of view, that the awards be small. On the other hand, the company has no responsibility frequently, for

causing the accidents, some of which could not possibly be anticipated, and the company frequently, especially a small one, may suffer considerable financial loss. That is what I mean by the adversity aspect of the cases. I am wondering if the Minister has given some thought to stabilization of the rates, and, as has been suggested, perhaps some measure of subsidization, as I believe is done in other countries.

Those are the four points on which I should like the Minister to comment when he reaches that point in his reply.

Mr. C. G. Pilkey (Oshawa): Mr. Speaker, I would like to comment on a couple of points. I think that most of my remarks pertaining to the bill that passed, would be relevant to this debate today, and that is already on record. There were a couple of points that were not discussed during that period of time.

One that creates a great deal of hardship on the employees in the plants, is the question of temporary partial disability. I mention that in respect to the area where the pension is reduced because the employee is suitable for light work. I think that the basic principle of compensation—at least as I understand it—is that the injured employee be compensated for the loss of earnings resulting from the injury. This is the basic principle.

One of the sections—I think that it is 41—relates that philosophy. But, I think that there has been a serious deviation from that principle, inasmuch as the compenastion is not related to the loss of earnings, rather it is related to the degree of disability. This is where the application of the act departs really from the principle. I think that this creates a great hardship on those employees. When they are okayed, or it is indicated that they are capable of light work, and their employer says that there are no jobs that would fit the man's capabilities, then the employee is having to maintain some form of standard of living in relation to the amount of the compensation. I think this is one area that this government has to come to grips with. In my opinion, it is time that the principle of compensation be put back in its proper context, not the question of degree of disability.

The hon. member for High Park did mention the fellow on permanent disability, who had his level of compensation determined at the time he was disabled. We now find that this pension is well out of line with today's cost of living, and benefits. I think it is time that the government made sure that the pension was realistically related to today's cost of living. They certainly would not be blazing any new trail in the matter.

In British Columbia, the consumer price index comes into play, and this is adjusted annually so that the permanent disability pension is kept in line with the cost of living, if not the wage increases. This would be a step in the right direction for this government.

To illustrate this, an employee who received $100 in 1956, would not have, in effect, $100 today, as far as its purchasing power, but only $80. He has fallen behind in relation to the cost of living. Also, as the pensions do not increase with the living costs, then there is a steady decline in the money paid by the employers. This area needs some attention, especially in relation to the question of reduction of the purchasing power of a pension due to the steady increase in the cost of living.

The last point is an all out fight for relief, against red tape and delay. I said earlier that this is one of the areas that many of the union centres which are handling compensation for their members find to be an area of great difficulty. There are numerous forms to be filled out. The doctor gets one, the employer gets one, the employee has one, and then there has to be a co-ordination of all these forms coming in before compensation is paid. We find, in many cases, great lengthy delays in terms of the employees receiving their compensation benefit.

Many of the employees in this province are not in a position to acquire any resources in terms of bank rolls, we might say, and they are living from day to day. If there is any lengthy delay in their compensation payments, they find themselves in a rather precarious position in meeting their daily costs, their daily requirements for living. In addition to that, most of them nowadays have acquired some debts. They buy an automobile and most of them have them on time payments. Let us face it, they are not able to pay with cash and the other household items that they need.

So there are payments they have to make out of the meagre resources that they have at their disposal. If there is a lag and delay then they are not able to meet their obligations which, very frankly, they had been meeting, the majority, prior to the injury.

What needs to be done in that regard is that there needs to be an all out drive against this whole question of red tape and delay. I

think that if we could eliminate to a great degree the question of delay we would have made the compensation a greater service to the workers in this province.

Those are the three points that I raise during this debate and I think they are three points which are critical and need attention now.

Mr. Speaker: The member for London South.

Mr. J. H. White (London South): Mr. Speaker, we are told, and I am prepared to believe, that we have got a workmen's compensation plan that is as good or better than that of any other jurisdiction. That being the case, it is a source of continuing astonishment to me that we do not remedy several very obvious weaknesses.

I have dealt with one or two of these matters in previous years and, in fact, I thought I wrested agreement from the senior officers of the board and of the Minister responsible, the predecessor of the present Minister of Labour.

First of all, it is unreasonable and unjust to require an injured workman to come to Toronto to deal with a minor administrative matter. I reiterate my request that there be a regional office in western Ontario. London would be a good site, but it does not have to be London. That is not my prime concern.

Point number two. It is unwise and inconvenient to locate all of the physiotherapy and testing facilities for the board here in the city of Toronto. Very often, a workman will have to come here for treatments which last weeks and yes, even months, sometimes five or six months. To have a man from southwestern Ontario located in Toronto for that extended period of time, I think, is a foolish way to do it.

This could be remedied by having a series of small facilities across the province. I hope the Minister of Labour (Mr. Bales) is listening when I say that there are surplus hospital facilities available in London at Westminster hospital.

I hope the board will enter into discussions with Westminster hospital to see how these empty beds might be utilized to benefit the people in this province.

I think Westminster hospital is at least one-third empty and to have those beds empty while there is a need for additional hospital capacity really seems to be very poor planning indeed.

The third, and probably most important point of all in my view, has to do with the appeal procedures. I was one of the many members who thought that the previous appeal procedures were inadequate. I think the point of view which many of us expressed in this chamber brought about an improvement to the present appeal system with its several stages.

But, Mr. Speaker, I will never be satisfied until there is an external stage in these appeal proceedings because one has the suspicion, as one deals with some of these difficult and perplexing cases over an extended period of time—sometimes years, believe it or not; sometimes for years we try to get justice, as we see it, for a workman. I will never be satisfied as long as all of the appeals are within the board because surely there is an unconscious and even unwilling bias introduced, whereby senior officers subconsciously are motivated to support decisions made earlier by their subordinates who they may know and who they may know well in some cases, who are business associates and perhaps even social friends.

So I say, Mr. Speaker, that the workmen in this province, certain labour leaders, including some in London, myself and, I expect, most of my colleagues here in the chamber, would urge the Minister of Labour to ensure that an external stage is introduced in the very near future.

I am not talking about expensive and cumbersome court proceedings. What I am talking about is a form of ombudsman. A person, a referee, not an employee of the board, with sufficient resources that he can call upon medical specialists and lawyers, if necessary; specialists of whatever kind to explore the details of a workman's claim and to bring justice in these individual cases.

If, as and when that is done, I think we will have a very good system. Until we do so, it will not be satisfactory to me and, I think, to a great many people interested in this area of government.

Mr. Speaker: The member for Cochrane South.

Mr. W. Ferrier (Cochrane South): Mr. Speaker, I would heartily concur in the remarks just made by the member for London South.

Many of the things that concern me about compensation have already been brought up, but there is one problem that specifically concerns my area. This is the problem of compensation as it relates to miners and

specifically, to the relation of silicosis in miners.

Silicosis is a very difficult thing to detect medically, I gather. I have taken cases in which one doctor says a man has silicosis, and the board will bring about three or four to say he has not. You are against the numbers game as far as the doctors are concerned.

But if you live in a mining community, especially a gold mining community, you see the number of men in their late 50's or 60's, who are broken in health with severe chest conditions, who can hardly climb one flight of stairs without having to stop halfway up; an abnormal number of men have these.

They go to get their x-rays and it is anything but silicosis. It might be emphysema and a number of other things.

These men, before they could get into the mining field have had to pass tests to say that they are in good health and have x-rays to show that they have a good set of lungs, that they are really a picked set of men. Yet as they go on in life and work in this kind of industry, their lungs develop all these kinds of conditions. Usually the air in the mining communities themselves, at least up in northeastern Ontario with the exception of Sudbury, is very good air. The pollution that they breath is definitely in the mines underground where they are subjected to this silica dust.

I had the feeling that unless you can get absolute medical proof, unfailing proof, you do not have much of a chance. The board will always throw back to you: "Well, it is not silicosis according to the Act." You have to have silicosis to the degree that a man is disabled and he cannot adequately work; it is a great impairment to him.

My feeling is that the legislation should be greatly broadened to include all chest conditions of miners who have worked a certain number of years in this dust-exposure industry and whose chest conditions have developed in the course of their employment. I take exception to these compensation people in Toronto who say: "Well, these kind of chest conditions develop in everybody"; because my experience has been that there are a great many more of these chest conditions in the miners, especially in gold mining.

I am very interested in the announcement by the hon. Minister of Mines (Mr. A. F. Lawrence) that there is money being set aside this year to do research into this ailment and I suspect there will be something develop. I certainly hope so because miners are disabled; they are finished and you cannot get anything from the compensation board. So what do they do? They have to go on welfare.

I think another thing that needs to be looked at is the use of this aluminum dust in mines. It is put into the dry and the miners are supposed to breathe this in and coat their lungs. It is supposed to act as a prophylactic agent. Most of the miners I know feel that this does more harm than good.

I would urge this Minister to try to introduce legislation that would make not only silicosis, but also other lung-crippling ailments that have developed as men have worked in the mines, to be compensable and to see that the great number of miners in the various mining communities of this province have a greater degree of justice done to them.

Mr. G. Ben (Humber): Mr. Speaker, I was interested in the remarks made by one of the previous speakers from the New Democratic Party with reference to the adversary system. At the present time, I do not believe that the system, employed by the workmen's compensation board of Ontario, either is, or is not, adversary. The workmen's compensation board denied that they do have an adversary system, and last year the members of the NDP—I believe it was the hon. member for Riverdale —said they would hate to see an adversary system come into being. On the other hand, when you consider that you have what are referred to as workmen's compensation board doctors, I think you do have an adversary system, because the doctors make reports to the workmen's compensation board and they are engaged and paid by the workmen's compensation board, so to that degree I suggest there is an adversary system.

My suggestion was that we do away with workmen's compensation board doctors and that we have the Ontario Medical Association or the College of Physicians and Surgeons set up a pool of qualified doctors who would examine and report on all workmen's compensation board claimants. These doctors would be paid by the Ontario Medical Association or the College of Physicians and Surgeons, whoever operated the pool, and the association then in turn would bill the workmen's compensation board. They could have a battery of doctors go over the patients, and I think if this was the case, if you had a very modern clinic set up in Toronto to carry out the tests that the hon. member for High Park was recommending—for instance the metal contents of the urine, if they gave thorough tests—and then the workmen's compensation board were to base their decisions on these

unbiased reports, I think we would have a little more justice.

Also, as far as the adversary system is concerned, I think perhaps there is some room in the chain of appeal for the so-called adversary system. Perhaps this could be the final board of appeal, where if the pool is not set up with these doctors, lawyers could be brought in to give the workmen's compensation board doctors a thorough cross-examination to determine just how thoroughly they did examine the patient or the claimant who is seeking relief. It is quite conceivable that if they were given a thorough cross-examination there might be more justice as far as the claimant is concerned. If lawyers were brought in they too could act in an independent capacity, by operating out of a pool set up by the law society. The law society would pay the lawyers and then the law society would in turn bill the workmen's compensation board.

Now, the cost of these I think would be insignificant when one considers that the workmen's compensation board has admitted losing $1 million a year in premiums, because they bill only once a year. They lose $1 million a year, because they collect only once a year, rather than every month, as the federal government collect excise tax and other duties. And I say to you, Mr. Speaker, that this pool of doctors could be paid for, this pool of lawyers could be paid for, if the workmen's compensation board started to bill monthly. First of all, there would be a saving of close to $1 million, which would pay a lot of doctors and lawyers. Secondly, because the money would be coming in monthly, at the rate of approximately $8.5 million a month, the money could be invested in short-term bonds and earn interest, so that each month this $8.5 million would be cumulative so towards the eleventh or twelfth month there would be almost $100 million in the kitty which would be drawing interest at short-term rates. So there would be no loss.

Furthermore, I think a lot of these doubtful cases—and it seems that here we sort of vary from the accepted concept that where there is a doubt you give the benefit to the citizen; with the workmen's compensation board it is just the reverse; if there is any doubt they do not pay. I think with this extra money that they would be able to get from the saving and the interest, they could pay part of these doubtful claims and start giving the benefit of the doubt to the claimant. And I submit all this, Mr. Speaker, to the consideration of the hon. Minister.

Mr. E. W. Sopha (Sudbury): Mr. Speaker, I had not intended to intervene in this discussion until the member for London South gave me an idea based on experience that might be worth opening to the House. It strikes me, of course, sir, and is perfectly apparent to all hon. members that in respect of workmen's compensation, Ontario, the whole 117 of us are, in fact, ombudsmen, and there would be no member that would be in any way insulated against constituents coming, and very properly, to see the member in respect of difficulties they have encountered with this board. And in that sense, of course, all the members who have not legal training thereby become lay counsel to the board and develop their abilities along the lines of advocacy to the extent that they take a very close interest in the affairs of the claimant and the operations of the board.

Now, one thing—and here is where the germ of idea started the yeast with me from the member for London South—one thing I have never been able to understand about the board is the position they take at a given point in time, when they determine as a matter of judicial or quasi-judicial decision, that the claimant is no longer compensable. Now, to illustrate, they will encounter an accident where there is a soft tissue injury involving the area around the cervical spine and those types of injury, as all hon. members know, are very difficult of diagnosis. And it seems that they will determine an arbitrary point in time where the workman ought to have recovered and if he shows symptoms after that time very often the board takes the position that he is suffering from some sort of psycho-neurotic disorder. I think the term most often used is that of emotional overlay.

Now I have been told that, in the light of a very recent claim that I am forwarding on behalf of a workman, I have been told by the medical profession—and no one in the House is capable of taking more care than I am in relating matters related to medical science—that injuries to the cervical spine and the area surrounding it very frequently give rise to manifestations of depression in people who suffer, that they develop some kind of psychotic reaction to it and recovery becomes very delayed and very difficult in the person.

Now, I have often wondered, the board knowing that, being aware of that sequela that follows that type of injury, why they do not develop a psychiatric or a neurological department of their rehabilitation process. But their attitude seems to be, on the contrary, that the workman who has been

diagnosed to be suffering from that type of sequela, must avail himself of the services of a psychiatrist or a neurologist at his own expense. Indeed, it is a matter of somewhat bitter experience to me to see where workmen have had to pay the fees of that type of practitioner whom they have consulted in an endeavour to get well.

I know it is a fact that if the psychiatrist submits his account to the board for treatment of a workman who has suffered the experience that I relate, then the board, out of hand, rejects his account. The cost, as my friend from Oshawa so well put it, sir, must be borne by the person who has not usually the means to pay. Indeed, in relation to the chap that I recently became involved with, he was of such meagre means, and needed the services of a psychiatrist. Because he had been to all the orthopedic surgeons, and the surgeons and the internist, and they had all told him, with one voice, that he was suffering from a psychiatric disorder, and being unable to pay for the services of a psychiatrist, I telephoned a friend of mine who practises psychiatry and asked him if he would see this person as an indigent. I am very happy to relate, and it would probably be general in the profession, that, of course, the psychiatrist acceded to the request and began the treatments.

This story that I speak of—I might just complete the record—has a happy ending for the workman. The psychiatrist was rather puzzled about the symptoms of this workman and ordered some further x-rays and discovered some pathology which, of course, will reopen the whole claim. Once you can show the board on an x-ray film that there has actually been an injury, nothing convinces the board more readily than that type of evidence.

But that distracts me from my original point that I do not intend to labour. I would like the Minister to comment on this aspect and to tell us what considerations have been made about the psychiatric and the neurological care of this type of workman; and to give us some hope that the board, in future, will not put these people on their own resources, but will, indeed, offer some services which are directed toward their recovery.

Now I suppose with the 117 ombudsmen that there is no more frequent type of complaint that we encounter than that type of injury to either the cervical or the lumbar spine. I daresay that the person with the disc injury, after he had been around to all other agencies, after his union has tackled it, and he has sought comfort and solace and assistance elsewhere, eventually ends up in the member's office, or in his home. And usually the poor fellow brings along with him a file that can be measured by inches—

Mr. M. Gaunt (Huron-Bruce): That would choke a horse!

Mr. Sopha: Yes. Frequently they have to carry it in a cardboard box, there is so much. In many cases, strangely enough, his member is the court of last resort to him, whereas he should be among the first. One often wishes that he would come and see one early in the chain of the search for assistance so that we could apply whatever aptitudes and talents that we have as members to try to unravel this thing.

I hope the Minister will tell us that the board will stop this practice of throwing these people on their own resources and will offer them, in the way of treatment, some more tangible form of assistance than has been the practice in the past.

Mr. Speaker: The member for Sudbury East.

Mr. M. Martel (Sudbury East): I just want to add, Mr. Speaker, in several areas a few points—the first dealing with the silicosis referee board. I would like to know how many doctors make up this board and why, when you submit the medical evidence from four or five doctors, all saying a patient has silicosis or pneumoconiosis, the silicosis referee board just tosses it out the window and says he has not. These are specialists I am talking about who supply this medical evidence.

It seems in talking to various people that the silicosis referee board is an area you never win in; you never win a claim where you have to take it directly to the board. I have a case where I have taken it to the board and it has gone back to the silicosis referee board, and I have at least seven doctors saying the man has silicosis. I have been waiting for a decision now since June 11. This is one area.

The second area is similar to that brought up by the member for Sudbury. If a man develops a psychiatric overlay—this is the term that has been presented to me—and you try to get a psychiatrist to treat the man, you are told that there is no connection between the overlay that he has and the compensable condition that he suffered. Most of these

psychiatric overlays seem to come from patients or men who have back injuries. If the man did not have a psychiatric overlay before the injury and he has been out of work for two years and suddenly he has a psychiatric overlay, there must be some connection between the injury and the overlay. To just wash your hands of it and say there is nothing we can do for him; and when you suggest a psychiatrist, they say "no"! Where is the man supposed to go—to the boondocks?

I have one man who gets $67.50 a month pension—three children; he has a psychiatric overlay. He has an 18 per cent disability, but he cannot walk across the floor. I must have written, to this date, about 25 letters in this case.

Another point, I was glad to hear the member for London South on the location of hospitals. I mentioned in my maiden speech in the House that in northwestern and northern Ontario there certainly should be a place for rehabilitation. These men have to travel 600, 800, and 1,200 miles and spend months in Toronto away from their families, or from the possibility of seeing their families.

I think there are certain large centres which serve as distribution areas to the north. I think Sudbury handles a large area, or Timmins, or Fort William and Sault Ste. Marie; and maybe Kenora, which could cover the north where patients would be near home, instead of coming 1,200 miles from Kenora to Toronto to be treated. And I do not think it helps them having spent three and a half months in one of these hospitals.

I do not think it helps you being away from your family this length of time. I do not think it helps the whole healing process at all.

In the last point, in keeping with the member for Oshawa, the payment system. I had a gentleman phone me last night. He was working up until eight weeks ago as a light-duty compensable case; lo and behold, he got injured a second time. So they stopped payment on the difference he was receiving and the wage deduction as a result of being given a labourer's rate. They stopped that payment even. And for eight weeks he has not received payment for the second case. Now this man has a house payment to make and he has other commitments to meet, and for eight weeks he has not received a cent, even on the first injury.

I think we must cut through the red tape and we must deal with the areas that I have mentioned, and all of the other members in this House have mentioned. I think it has been made quite apparent by all of those who have spoken here today. I think most of us have dealt within a sphere of five or six points, and I would certainly hope that the Minister of Labour would have his department deal with these five or six areas immediately.

Mr. Speaker: The Minister.

The member for Niagara Falls. I might just say I had no other speakers on my list. The member for Niagara Falls.

Mr. G. Bukator (Niagara Falls): I have two items that I want to touch on, and I will not be too long.

The most serious problem that an individual has to contend with, in my opinion, when he gets compensation, is when his compensation is cut from the greater portion to a lesser amount because he has recovered considerably and the board believes, or someone on that board believes, that he ought not to get the full amount.

I had a gentleman walk into my office two or three weeks ago, and inform me that he had explored every possible avenue. He did not look like a well man to me, but you can never tell by looking at a man whether he is well or not. He outlined his case and said that he had this serious problem. I wanted to get to Toronto, and I said you send me a letter. He sent me a copy of a letter that he forwarded to the Minister himself. He said:

> I understand that there is now in session a Legislature standing committee looking into abuse and unfair treatment by the Ontario workmen's compensation board. Being an injured workman who has suffered at the hands of the above-mentioned board, I would like the privilege, as a citizen of Canada, to appear and testify, also produce letters to prove that there is abuse.

The Minister looked into this immediately, and the writer of the letter was visited shortly after that by an individual from the workmen's compensation board who also said that he could not appear before the committee. I can readily understand why.

I did, however, inform this individual that I did not think there would be any harm in a citizen coming in and sitting in at the committee meeting. I thought it was a public meeting and he could listen to his case being put before the committee, before the board by some member of the Legislature.

I was only too glad to relate his case. I hope when they investigate this matter they will look into the possibility of reinstating

him to the 66th, or 75 per cent of his wages at least. I believe a man ought to get that amount of money until he recovers and is able to go to work or get a job somewhere, and not be cut off. In many cases, the cart is put before the horse. The percentage of money is cut down before they have a job to go to or are capable of going to a job.

Having said that, I would just like to put on the record this individual's name and address. His name is Charles Salapat, 115 Pinkington Street, Thorold South, Ontario. He wrote to the Minister on April 20, 1968. I am sure the Minister will look into this case and see what can be done for this individual.

I hope the government will see fit to continue to pay them the full amount until they either go back to work, or you find that the man is swinging the lead, and is not entitled to it. I realize that that is a difficult area in which to work.

Shortly after I was elected in 1960, a Mrs. Moore from Fort Erie told me of a problem she had working with Irvin Airchute Company of Canada. There they assemble parachutes, working with a certain type of glue that will hold that parachute together. She finds that in many instances, as they work for a few minutes, their fingers stick together and they have to turn to a solvent of some kind to dissolve that glue, so that they can continue with their work.

The lady, according to the record I have here, did an excellent job. Because she was needed in her job, the workmen's compensation paid her a portion of her pay when she had to go home sick because of the infection in the skin. I am not going to get into what the experts said about it. But, Mr. Speaker, this lady found that her hands broke out. The skin peeled and she found her hands raw. She turned to a specialist in Buffalo who diagnosed that the glue was causing her the trouble.

She had to quit her job. Compensation was paid to her for a period of time, and I might say that the plant thought so much of this lady's service to them, that they recalled her when she began to recover from this ailment. She went back to work and the same problem re-occurred. She wrote to me. Her handwriting is not the best, but being a conscientious new member of the House, I typed out her letters so I could read them better.

Finally, the board decided that this lady was not entitled to any more money and she turned to her lawyer, Mr. Forestall in Welland. He told her to come and see me. They had a referee board with the decision of that day. Mr. Sparrow was the chairman of the board. They had a board hearing for her and the understanding was that you can come to the board and the decision will be final.

She naturally wanted to tell her story to someone, and she accepted that rule. They found that she was not entitled to any more compensation and she was cut off. In the meanwhile, the lady continued to go to the skin specialist in Buffalo, who wrote a letter to her at my request telling her to inform me that this ailment did come about from that job. She had to pay her doctor's bill. She was entitled to her compensation. I find that she should never have been cut off, because the ailment was there and it continued for years after.

So, after exploring every possible avenue and speaking about it in this House, I found that there was nothing more, Mr. Minister, to be done for the lady and I quit corresponding with her after I had spoken to her in my office. I said I was sorry there was nothing I could do for her.

But the lady did not give up. She continued to send me letters. Some were complimentary, some were detrimental. But all said that, in her opinion, her condition was caused by Irvin Airchute and the job she was doing and that she was entitled to compensation. I ignored her letter—there is nothing else one can do. Finally, I received another in May 18, 1968.

Out of all the letters that were talked about in this House, the correspondence with workmen's compensation patients that you had to contend with, Mr. Minister, this is only one workmen's compensation case. The lady believes, and I believe, and her specialist, the doctor, believes that the problem came about when she worked in that industry.

She should have received compensation even to this day, if need be. But the fact remains—and I think it affected the lady in more ways than one. They talk about psychiatric treatment. I think this lady needs that type of treatment, because this is what brought this condition on. She is obsessed with this one fact, and she is perfectly within her rights. This lady has not been treated fairly in the eyes of a layman, and I speak for myself.

I was speaking to one of the members of the compensation board, and I asked who I could talk to about Mrs. Moore's case and he suggested that I send these letters on to him. But to be sure that this gets the necessary treatment that I believe it ought to get, I am going to send this with a pageboy over to the Minister himself and let him put it in

the hands of the right man to see what can be done to assist this woman. I believe she is entitled to financial assistance.

Mr. Speaker: The member for Hamilton East.

Mr. R. Gisborn (Hamilton East): The order paper provides for the adojurned debate on the report of the workmen's compensation board, Ontario, and, of course, that allows quite a degree of latitude for members to express their concern about the functions of the board and the provisions of the Act.

I am disappointed that we have not had more opportunity to discuss the McGillivray report in this House, and I want to say a few words about it, at this particular time.

If we remember, we had the board before the standing committee on government commissions I believe twice to deal with the compensation board and it was most ineffective because they sat for only about one hour each time and a few questions would take up most of the time. Certainly we could not get to the meat of the content of the McGillivray report.

I want to deal with a few parts of the report, but first I want to pose a question to the Minister. It is about the only part that I would like an answer to.

I want to make comments in regard to the other things, but I would like some comment from the Minister because I think it is important on this subject that I want to raise.

I want to quote from a story in the Toronto *Daily Star*, Wednesday March 20, 1968:

> COMPENSATION BOARD REPLIES TO SHULMAN
>
> A campaign by officials of the workmen's compensation board to publicly answer charges made against them by Dr. Morton Shulman, NDP High Park, began here yesterday. W. R. Kerr, the board's director of rehabilitation, told a Kiwanis meeting that charges of wrong-doing by "a professional critic" in 38 claims had been given the most careful and impartial review possible and there is nothing whatsoever to substantiate even remotely the charges of unfair treatment.
>
> Kerr did not mention Shulman by name.

This is the point on which I would like the Minister to take particular note:

> However, in Toronto, Bob Pendrith, a public relations officer with the board, said this is the start of a speech campaign to answer Shulman every time he makes a charge.

Now I think this is serious, Mr. Speaker and the Minister should inform the House as to the policy in this regard.

I want to know whether or not this is an official programme of the Minister and the department. I want to know if the—

Hon. D. Bales (Minister of Labour): Mr. Speaker, if I could just assist the member with reference to this matter.

This has been dealt with and the workmen's compensation board appeared before the standing committee and commissions on three occasions, if my understanding is correct, and I think on the last occasion, Mr. Kerr, the gentleman you mentioned, was there and there was discussion about this.

I think the whole matter has been dealt with. There is no policy of that nature and I think the matter has been dealt with at the standing committee. I am not sure whether the hon. member is really a member of that committee or was present at that time.

Mr. Gisborn: No, the hon. Minister is right. I was not present. I am not a member of the committee. I was not present at the third meeting. I attended two and missed the third one and if it has been dealt with and the Minister has made it clear that this is not the policy of the department, that is the answer I want. I would like him to answer the second point in regard to this story as to who initiated this statement.

Was it on the initiative of Mr. Pendrith, Mr. Kerr, or were they instructed to take on such campaign and now has the policy been changed?

Because if members of the board are going to get into the political arena and every time a member of this Legislature makes a public comment about the workmen's compensation board then we want to know just what the policy of the department is.

The Minister has said it has been dealt with, but it appears to me that there was some initiative by the chairman of the board in this regard, and I do not know just to what extent the thing was stirred up in standing committee. I will make some inquiries from my colleagues, and if they are satisfied, fine.

Now in regard to the McGillivray report, Mr. Speaker, this report was brought down in September, 1967, just prior to the October election last year. Up to this date, I am not aware as to whether or not the hon. Minister of Labour has made a statement in regard to the report. I think it is regretful because when a report of this nature and other reports from special committees are reported,

I think it would help the House and the members, if the Ministers in charge of the department related to the report, would make a clear-cut statement on the contents of such a report so that we would know how to approach the subject.

All that has happened to this report, the Minister has introduced in the House, is four or five changes to The Workmen's Compensation Act and they have been debated quite thoroughly in the House. But I am concerned with many of the regressive natures of the Act, and we will have to continually barrage the Minister with questions and comments regarding the Act, until we know where he and the government stand on many of those regressive recommendations.

Certainly the report itself, I find it to be most regressive and bankrupt for new ideas, as has been said before. There is nothing imaginative in it and the whole thing tends to increase the benefits for management and reduce benefits for the claimant on workmen's compensation.

I say this because of one aside comment made by Mr. Justice McGillivray in the report, on page 29, when he was going through just concluding a couple of long pages on his idea, and his feeling that we should think about stacking the old age security and the Canada pension plan with benefits from workmen's compensation by 1970, and he says this:

> I have also in mind that, as imports increase, many industries may be hampered in merchandising their products. It is essential that they be able to compete abroad and to meet competitions from imports at home. Both labour and industry must suffer if companies' production costs brought about by welfare measures are so increased as to cause loss of market.

Now what in the world kind of thinking was this, to be put into the hon. Justice McGillivray's study of the need for improvements in workmen's compensation provisions in this province? He starts talking about the whole implication of economics and the problem of industry in paying their way.

Now I just want to deal with a couple of recommendations. There are several, and most of them, in number at least, pertain to safety and I will leave that because we will have a chance at different times to deal with safety. We have dealt with recommendation number 1 at quite some length. We have dealt with recommendation number 2. Recommendations 3, 4, 5 and 6, of course, deal with the increase in computation of earnings and the widow's allowances and so on, but recommendation number 7 says this:

> That any increased compensation or allowance for past accidents should not be assessed against employers coming within the Act, now or in the future and that section 35 be deleted.

We are pleased that the Minister has not taken any action on it and I hope that he does not. This is why I say we should have had a clear-cut statement from the Minister some months ago as to the recommendations in the report so that we would know how to react to it in the future.

Now in regard to this recommendation, if an injured claimant is entitled, by review of his claim, to higher pension benefits or for any other reason, then they should be paid for by the fund in whichever schedule they come under.

Who is going to pay for it? Surely not the claimant, and certainly not the public. If we take this attitude, certainly we are revising the whole method of financial responsibility.

Recommendation number 8 is that there should be some review by all authorities of overlapping benefits, and failing such review by 1970, the Act should be amended to authorize the board to have regard, when awarding compensation, to amounts payable under old age security and the Canada Pension Plan.

I understand, and perhaps the Minister might inform me, for talking to some people who have made representations to the McGillivray commission that this recommendation was put forward by the board. I would like the Minister to tell me who made this recommendation to the commission, if he recollects. If this recommendation is to be given any thought at all, Mr. Speaker, maybe we should turn the payment of benefits over to the family and social benefits department.

Now, on recommendation No. 12, it says that the waiting period which the Act requires before any compensation becomes payable is reduced to one day, with no type of compensation payable for the day of the accident. I believe that I am correct in saying that this provision was implemented in Bill 150 that we passed two weeks ago. I would like to say a word about that because we went so quickly, I recollect, through the first few sections of that bill, and it got passed before I had anything to say about it. I think that this again is regressive, and is an imposition upon the claimant. This recommendation, I feel, applies the insurance principle, the co-

insurance or deductible features to compensation payments.

Justice McGillivray, in his summation before he made this recommendation, said that in most cases the employer pays for the full day. I do not think that that is correct, and even if they did, it should be part of the Act. Now, it goes to say that if the employee is injured in the first hour of employment on that day, then he loses that day's pay. I just cannot see the reason for that, he gets the pay for the second day, but loses that first day's pay.

Recommendation No. 15 is that an independent workmen's advisor be appointed by the Attorney General of the province, to assist workmen in the preparation and prosecution of claims on appeals. I do not feel that that is a correct approach, because this would bring a legalistic attitude to the function of the board and the start of the legal profession getting into the whole function of the board; we have to be very careful about this.

I have concern about the number of cases that have been processed with the assistance of a lawyer who has applied and received legal aid payments on behalf of the claimant.

I raised this question with the Attorney General during his estimates, and he told me that he was not aware that legal aid was being used for this purpose, but he would check; that as far as he knew there had been no policy made as yet in this direction. I have inquired, and there have been cases where legal aid was provided through the lawyers to have them represent the claimant in regards to their case.

Many have said, and I agree, that there may be need for an ombudsman. Again, I do not know how this would function just by that simple term. When we talk about representation, or devil's advocate for the employee, I do not know why we do not consider some of the well trained unionists in the province who have served on workmen's compensation committees for many years. They could be hired by the department and told: "You are the representative in this area for people who need help in processing their claim."

This would be a very sensible approach, I would think; experience, but without the legalistic approach. Most of the union committee men who have applied themselves to the very tiring and complex workmen's compensation work are motivated by human interest. I am sure that if the Minister wanted to supply a devil's advocate for the claimant, then he could go into this field and find many people who would do a splendid job.

The last point is recommendation No. 16. If this should be passed, a regulation of the board requiring that any appeal be launched within three months of the decision from which appeal is taken, unless by reason of new evidence or other special conditions the board, in its discretion, should give leave to appeal. I do not think that this changes the existing situation very much.

When they get their notice of appeal, there is a little line saying, "And new evidence should be submitted in writing." It is hard to understand some of the regressive recommendations made by Justice McGillivray, and this is one of them.

This recommendation impinges on the long agreed and worthy application of the Act that the claim is never closed. Thousands of employees in industry, not organized with a union, and many newcomers to the labour force, learn their rights by trial and error in regards to workmen's compensation.

I think that if we deal specifically with the nine per cent that was talked about by the hon. member for High Park, then we will find that these groups fall in this percentage. Those not in organized plants are completely ignorant of the Act, and have maybe a lack of education, and do not know how to write a letter properly. They then face long delays until they find through some member or friend who recommends that they should get on with their case. They have a good case, and they find that the delay has been too long, and they are out on a limb.

Mr. Speaker, that is about all I have to say in regards to the report at this point. As I said, many of the recommendations deal strictly with safety, and there will be other times to deal with that.

I reiterate what I said that in regard to these reports. I think it is beholden upon the Minister of the department to give clear-cut statements in regard to the statements of recommendation in a report, and make us aware of the policy and attitude of the government with regards to any report of this nature, so that we can know ourselves when talking to others on the subject. We can avoid a lot of debate if the Minister has said, "We will not entertain this or that recommendation; we will consider that one, and so on."

We would have some clear-cut idea of just what the government's thinking is. As I said earlier, the report is regressive, and many of the recommendations, if implemented, will be

a hardship on the claimant and make the compensation board's function more complex than it has been in the past.

Mr. Speaker: The member for Timiskaming.

Mr. D. Jackson (Timiskaming): Mr. Speaker, I will be very brief. I would like to make a few comments on something that disturbs me in the McGillivray report. First of all, as I said when we debated the changes in The Hours of Work Act, is the fact that it was supposed to be model legislation in the beginning, and yet when they investigated the need for changes, they used as examples and for comparison, Acts which were passed in various provinces in Canada based on The Workmen's Compensation Act of Ontario.

Now, if we are going to make changes—much needed changes, I might say—then I am of the opinion, and I think many here are of the opinion, that we should not take retrogressive legislation, and use it as a model to upgrade the original model.

The Minister has stated, as my colleague mentioned, that we cannot put an additional load on industry because they pay the cost of compensation. But I would just like to read something that is in the McGillivray report, and it is a quotation from Mr. Justice Roach in 1950. He states:

> The public benefits by the fact that the worker, though disabled, is enabled to retain his self-respect. The compensation which he receives is not charity. He has in fact earned it.

I would like to point out to the Minister through you, Mr. Speaker, that this is a fact, that the worker, by his very labour through the years has earned the right to compensation. For us to say that we have to keep the level of benefits low because the employer has too much of a load, or we are afraid of adding too big a burden to the employer, I think is definitely wrong.

The worker today has earned the right to a fair compensation, and when the time comes for him to collect it should be paid without question. If it is necessary to add that extra burden to the employer, then it is a necessary thing and it should be done without question.

The member for Humber mentioned the fact that he would like to see the legislation changed to allow lawyers to take part in the appeal system. Well, if we go back into the McGillivray report, right at the beginning, he said:

> Employers were financially able to pursue such appeals. The workman, on the other hand, who had found sufficient resources to finance a trial was frequently unable to proceed to appeal.

This, in my opinion, and in the opinion of many, many people who have dealt with compensation, is that if we go back to where we hire lawyers to fight compensation cases, or to argue compensation cases, then, in most cases, the workman is going to be the one who suffers, because he will not have the finances to hire lawyers. And for us to say that we would do it through the public system of legal aid is just to say that the public is going to take it over and add another burden to the public purse. Whereas the system so far has not worked perfectly, and I do not think it will ever work perfectly, but it has worked fairly adequately and I think if we make the changes that are necessary, it will continue to work reasonably well without the need of hiring lawyers to argue our appeals for us.

Earlier in the estimates of The Department of Health we spoke on silicosis in relation to TB. Something that I mentioned then has bothered me ever since, when we spoke of tuberculosis and silicosis. One comes before the other, but silicosis, according to the board, always seems to come after TB and TB is the causative factor. Now, the hon. member for High Park mentioned a new drug that had been brought forward by Connaught Laboratories, call BCG, that could be administered to everyone in Ontario and will prevent TB.

When I asked why it was not used, the answer I got was that it was not used because the incidence of TB was very low. Well I would like to point out to this Minister that the incidence of TB might be very low in Ontario, but when we fight silicosis cases we find in almost 100 per cent of the cases, TB is present. And if every miner, or every child in the mining areas where there is a reasonable idea that they might become miners, were to have BCG administered in early childhood, then perhaps when they get to be the age where silicosis might be present, we will not have that old bugaboo of TB in the background. We will have, perhaps, a clear-cut case of silicosis.

It has been mentioned about the workmen's advisors and I am greatly concerned with the fact that the workmen's advisors today were executive assistants yesterday, and that we really have not changed the system in the board by bringing forth these workmen's advisors. They are not independent people, they are part of the old board system. I cannot question the integrity of

these people. I know some of them very well, and I feel that they think they are doing a very reasonable job. The only problem is that they have been brought up with the system, and to take a person who has been part of the machine for many, many years, and then to call him an independent advisor is not possible, and I do not think it is right. I think what is right has been said here many times—that to make an independent advisor, you must have an independent group outside the board.

On rehabilitation, in some of the figures that came forward in the report of the board, they have said that 2,582 workmen were available for work on discharge from the rehabilitation centre. Well, Mr. Speaker, "available for work", but what kind of work? They tell us a man is able to work and yet I went to visit a man less than two weeks ago, he crawled on his hands and knees to open the door for me. And yet they told him he had a 50 per cent disability. Now, in my opinion, a man who cannot work, is not 50 per cent disabled, he is 100 per cent disabled. When I brought this to the notice of the board, they again raised his allowance, he is up to 100 per cent again.

But why should a person have to go through this many, many times before he gets a final settlement? He will go two months on 100 per cent allowance and then they will cut it down to 50 per cent. And only when you go back and tell the board or argue with the board do they bring it back up to the 100 per cent. I think adequate investigation would tell the board that there is no reason to cut it down to 50 per cent and it is only because they do not have that investigation procedure that this happens over and over again.

This same gentleman that I said had to crawl to the door, was told by the local inspector that he could drive a bus, that they were advertising for bus drivers, he could go drive a bus. He said: "Well, how do I go about getting a job driving a bus when the first thing they ask me is, 'are you fit to take a medical?' and his answer is 'no'." So the job is out. The second suggestion was that he could work at a service station—change tires, pump gas—but let me say this, Mr. Speaker, that employers today are increasingly insisting on a person being in fit physical condition before they give him a job.

Now, it seems ridiculous to me that this board can say that a man is fit for work when there is no work available for him. To say he can do a job that is reduced in labour content. There are many ways of putting it. I would say it is ridiculous for them to say he can take a light job when there are no light jobs available. And this board well knows there are no jobs available. In areas where we already have five or six per cent unemployment, they say, "Well, register with Canada Manpower". Canada Manpower looks at it as a joke, because as soon as the man registers they ask him if he is physically able to do the job, and he has to tell them, no. I am sure that at least 90 per cent of the employers in Ontario will not take a man unless he is physically able to do a job.

In the gold mines they talk about these men on light work. There is no light work in the gold mines. I have worked around mines and I know it. There is no such thing as a light job. And yet we hear every day where they are able to do light work, and it is the man's fault because he would not go to work.

Well this just is not true and no matter what the injury or how severe it is, if the man is unable to work because of that injury, then he is 100 per cent disabled. A little column I have out of the *Northern Daily News* quotes Mr. John MacDonald, assistant claims officer of the board, he says:

> One of the reasons claims for compensation can be rejected is on grounds of serious or wilful misconduct where such misconduct is deliberate and intentional. However, thoughtlessness or carelessness, is not considered misconduct. Deliberate breaking of safety rules would be considered as misconduct if these rules were shown to be strictly enforced.

I brought forward during one of the estimates that most of the mines—and I think they are not the biggest offenders, there are many other industries that are bigger offenders—but as long as everything runs smoothly, we have good safety rules, we have good safety habits, but as soon as it threatens the income of the company, then the safety rules are ignored, and yet according to the board, deliberate breaking of safety rules shall be misconduct, and he can be refused compensation. I was a supervisor in one of the mines and I can tell you that many, many times I have argued with other supervisors because they said: "We can do this job this way." And I said, "It is not safe to do it that way." Their attitude was: "We do not care if it is safe or not as long as we get it done."

For the board to say it is the employers' responsibility for safety and leave it at that—

they are not doing their job. And to say they can wash their hands of responsibility because of an act of misconduct which in many cases has been brought on by the insistence of the company, I would say that the board again is not doing its job.

Before a man can work underground or in any dusty atmosphere in the north he has to have a chest x-ray which permits him to go to work. These chest x-rays in my opinion—I hold a card at the moment—are a big joke. You go in; you are supposed to have a medical examination; it usually consists of how tall are you and how much do you weigh. If you have gained weight, fine; if you have lost five pounds, the fellow says you are slimming down, and that is the medical examination. You have the x-ray. They never tell you whether you are fit to work underground unless you are completely unable to. They never tell you whether you have silicosis, or what stage of silicosis you have. Their only concern is whether you are still fit to go underground, or to work in that dusty atmosphere.

So when a man becomes 55 or 60 and suddenly finds he has silicosis, the board comes along and says he has held a card for many years, and all of a sudden he has silicosis. I suggest to you, Mr. Speaker, and through you to the Minister, that most of these people have silicosis not for one year or two years; it is 20 years. The silicosis starts many years back; and this board should concern itself not with whether the man should be working underground, but whether it is damaging his health and whether, at that time, 20 years previous to his actual silicotic condition showing up, 20 years before if they could bring that man out of underground and put him into another job or tell him not to go underground and when he retires at 55 he will not have silicosis.

One of the major injuries that concern the miners is back injuries. Fifty per cent of our arguments with the board are over back injuries, and about 75 per cent of that 50 per cent is usually adjudged as being degenerative back disease. I submit to you, Mr. Speaker, and through you to the Minister again, that the reason it is degenerative back disease in most cases is because this is part of an occupational hazard in mines; that the average person works in an atmosphere that requires him to stoop down for heavy loads, twisting loads, and conditions that are conducive to back injuries, and sometimes these injuries are very slight, but over the years they degenerate.

Mr. Sopha: The spine is not an engineering masterpiece either.

Mr. Jackson: The hon. member is quite right. It is my opinion, Mr. Speaker, and I can sum it up in very few words, that the board wants to quit making excuses; wants to quit telling us that it is due to something else. With a little research they could find out in most cases that that "little something else" is also caused by their work conditions, and would be compensable. I suggest to the Minister that the sooner they do it, the better everyone in Ontario is going to be, and maybe next year or the year after, we can come in here and compliment the Minister on his forward-looking board; on better legislation that he will have to bring forward; and instead of saying that, in my opinion, this is regressive, this report is progressive.

Mr. J. Renwick (Riverdale): Mr. Speaker, I want to speak very briefly on the question of representation of workmen before the board, because it is a problem that the board is going to have to deal with, or this assembly is going to have to deal with, because of the impression which is now abroad that the workmen's compensation board is tending to move even slightly into the area of an adversary system. My colleague, the member for Hamilton East referred this morning to the concern about the legal profession representing claimants before the board in a legalistic fashion, and expressed concern about the legal aid plan being available to lawyers to provide them with compensation should they represent a person eligible for legal aid.

Let me deal with one aspect of this problem which I would hope would be helpful to the Minister in his consideration of it. Every now and then there appear, under The Workmen's Compensation Act, strict questions of law. In my view these questions should, on the initiative of the board, be referred to the court and the government's administration of justice funds should provide for the court appointing a lawyer to argue each side of the specific legal point.

The case which comes to mind obviously is the one case which, in a number of years, has gone to the court; the case of Kucyk *vs.* the workmen's compensation board.

There was a question whether or not the failure of the board to submit the medical reports to the claimant or his representative was a denial of natural justice in substance. That is what the matter was about when it went to the court. The workman had to bear the costs of taking that matter to the court.

I think it is something which should not happen again. It would appear to me that the board, if a question of law is raised before it by the claimant, or on the board's own initiative, if they consider that there is a question of law raised by counsel for the board, who should be vigilant to look at the legal aspects of the procedures which are being followed, should have a clear method of referring that question to the court. And the court should be able to appoint, at the expense of the province of Ontario, a lawyer to argue each side of the legal point, in order to eliminate both the adversary system from that kind of problem and to eliminate the cost of that kind of application being borne by the claimant.

It is now almost past history, but the same sort of situation has come before the board on the question of whether or not the board in fact was hearing cases, not on its own motion, but really at the request of the employer which was not specifically provided for in the statute. That, in my judgment, is a question of law, as to whether or not the board was hearing it on its own motion, or at the request of the employer, which was not permitted under the statute prior to the amendment which has now been passed and is awaiting Royal assent. Again it is probably academic at the present time, but if that kind of question is raised by the claimant or his representative, or if the board itself, or the counsel for the board being vigilant as to the strict legalities of the statutory authority under which they are operating, or as to the strict appropriateness of the procedure which is being followed, should be able to draw the question to the attention of the board in such a way that the board would make the reference to a court. The court would appoint the counsel to argue both sides of the case, and the expense of that reference would be borne by the province, because it is generally the law of the province, as stated in the statute or common law, that gives rise to such questions. Leaving that question aside, I would hope that the Minister would give serious consideration to the merit of that kind of vigilance and the way in which I have suggested of solving the problem.

The other question is this question of the actual representation of the workman. That is a person who can, in a coherent way, place before the board the position of the workman, without becoming involved in the adversary system. This is extremely difficult. My colleague from Hamilton East believes that within the framework of the organized trade union movement in the province of Ontario, there are qualified persons with long experience who can, in fact, do that kind of presentation work. I have discussed this matter with him on many occasions, and I am not so satisfied that there is not a wide area amongst the unorganized workers of this province where they do not have this facility available to them. People who do not belong to trade unions, who do not belong to the highly organized trade unions which have the specialized kind of assistance available to them, either from their own union in the case of a particularly strong union or from the Ontario federation in the case of other unions, may very well not get the kind of presentation of their cases that they require. This other area of persons in the province of Ontario, in my view, do not have adequate representation in many cases, and this is where, in most cases, we as members, become involved in the workmen's compensation board. Or there are cases where the trade union representative has followed the case as far as he believes it can be followed and the matter still has not been satisfactorily settled from the viewpoint of the workman, and he still wants to raise the question.

I do not necessarily think that you have to exclude anyone, be he lawyer or no lawyer or any other person, from representing a workman, so long as it is clearly understood that the position of that person making the presentation is to present the case and not to engage in a controversy over the substance of the case. It is a difficult problem and is now made more difficult by the section of The Workmen's Compensation Act—on which no comment was made when it passed through the House, and I wish now that comment had been made—and that is where you are now specifically permitting the employer in the case, where compensation is payable out of the fund, to request the board in fact to appeal through the appeal procedure and continue to raise the question until it goes to the board. This appears, in my mind, to be an opening of the door toward the introduction of the adversary system and is a matter that I would trust that the Minister would reconsider.

If the employer is going to take the case to the appeal tribunal and then if the result is not satisfactory to him take it to the board itself and the board is then obligated to hear the case, you have in fact introduced the adversary system. Whereas I think it was quite possible with a board, with the employer excluded from the consideration of the case, for the workmen himself to deal directly with the board, or at the lower levels with the

appeal tribunal, or with the claims officer and with the review committee at which he is not heard in the appeal hierarchial structure. It is possible to go before the board and to avoid pitfalls of the adversary system and yet make an adequate presentation, but it is not going to be possible to do so if you persist with the provision in the statute which now allows the employer to appeal every decision that is made by the review committee, or by the appeal tribunal to the board itself.

I think this is a matter, Mr. Speaker, which is certainly of great concern within the leadership of the trade union movement. They cast it in terms of the lawyers getting their foot in the door and running away with the compensation system and that the whole operation would grind to a halt. I think the other side of their attitude is that they have had a long association with it. The older leadership of the trade union movement recalls the dreadful stories whcih were abroad prior to the introduction of the workmen's compensation system in Ontario, and still have an automatic reflex action against the courts having whatsoever to do with the board.

My own view is that it must not be an adversary system, but it must be a system under which the workman has available to him, from a panel selected by the Minister himself, and established by him of qualified persons, to whom the workman can apply to have a representative appointed for his claim and make the presentation for him, and that he be clearly told by the board that he should have a representative. Because it certainly is my view that most workmen, simply by the nature of their employment, are not persons who are necessarily articulate in presenting their own cases. I would think that the Minister should give immediate consideration before this question deteriorates any further to the appointment of a panel or some representative system to whom the workmen can apply and be certain that he gets adequate representation of his claim before the board, Mr. Speaker.

Hon. Mr. Bales moves the adjournment of the debate.

It being 12.30 o'clock, p.m., the House took recess.

No. 161

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First Session of the Twenty-Eighth Legislature

Monday, July 22, 1968

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JULY 22, 1968

The House resumed at 2:00 o'clock, p.m.

WORKMEN'S COMPENSATION BOARD
(Concluded)

Mr. Speaker: Before lunch-time, the Minister had apparently inadvertently adjourned the debate. I do not think that was his intention or the wish of the House. Our normal custom, of course, is for the Minister to close these debates. If the House is agreeable, I will ignore the motion made by the Minister and give the floor to the Minister of Labour.

Hon. D. Bales (Minister of Labour): Thank you, Mr. Speaker. I did wish to make a few remarks before the completion of the debate in reference to the workmen's compensation board, Ontario, report. I listened with interest to the remarks of the various members, on Friday last and again this morning in reference to the report, and I will peruse their suggestions in the days ahead. As I said, I did intend to reply only briefly to the remarks made. It would be possible for me to deal in depth with many of the points and, I may say, to refute a great many of them, but I think that we have all heard a good deal in this session with respect to workmen's compensation. The workmen's compensation board has been before the committees on commissions and also on the labour committees. We have had an extended debate in reference to the amending Act, which was based on the McGillivray report, and again with reference to the annual report which was dealt with on Friday and again this morning.

I have said before that our legislation on workmen's compensation is good legislation. I think there is general agreement on that. However, I have never at any time maintained that our legislation was perfect, or that amendments and changes should not be made in the future. With this in mind, I have already asked the board to carry forward studies that would enable us to make additional improvements in reference to this Act in the future. We invite constructive criticism of the board and the legislation and I am not unmindful of the remarks of the hon. members in the House this morning and in the various debates that have taken place.

I am not unmindful either of the changes which are going on in other jurisdictions in reference to the field. There are times when many changes are taking place, and new concepts are coming into being. I may say that, during my term as Minister, and particularly following the submission of the McGillivray report, I have endeavoured to study the types of legislation in this field, both in other parts of Canada and in the United States and abroad. However, Mr. Speaker, I would like to make a few remarks to supplement the information in the report of the workmen's compensation board, which is before us at this time. In that regard, I think that it would be useful in assessing the report to outline briefly the history of the workmen's compensation board, Ontario, so that we might have a better understanding and appreciation of what has taken place over these last 53 years.

Mr. Speaker, the workmen's compensation as we know it today had its beginnings in 1910. At that time the chief justice of this province was appointed by the provincial government to enquire generally into workmen's compensation.

There was an Act in force in Ontario at that time, known as The Workmen's Compensation for Injuries Act, but it was not comparable to our present day legislation.

For example, there was no redress for the victim or his dependents if the accident was caused through his own negligence or the negligence of a fellow employee.

In appointing the chief justice, the government gave him wide powers of investigation and his report was prepared over a period of several years.

The main point I wish to stress in reference to that was that the commissioner found that the compensation system had one major flaw: They tried to place the responsibility for the accident and the cost involved on either the workman or his employer. This led to litigation and defeated what should have been the real aim of workmen's compensation.

The Meredith report was produced in 1913.

His major recommendation was that a completely new Workmen's Compensation Act should be developed and that one of its basic concepts should be to overcome "the costly delays and nuisances of litigation in order that the injured workman and his dependents could receive the benefits of speedy justice, humanely administered."

He also recommended that workmen's compensation be considered a cost of doing business and a cost of the commodity or service to the consumer, with compensation to be paid from a fund acquired on a collective liability basis from business and industry.

And the new Act based on his report really came into effect in January of 1915.

In essence this meant that if any workman suffered an accident or industrial disease arising out of and in the course of his employment in an industry covered under the Act, he is entitled to compensation. This is a matter of right. It is the workman's just due by law.

It is not charity or welfare in any sense. The basic principle, which still exists today is collective liability for the employers and benefits without litigation for the workers.

Since then, the Act has been reviewed a number of times. I believe the first review was by Mr. Justice Middleton in about 1932; again in 1950 by Mr. Justice Roach and in 1966 Mr. Justice McGillivray was appointed as a Royal commissioner. The report of Mr. Justice McGillivray was submitted to the government last September and released at that time. The report was studied carefully by the government. There were in all some 44 recommendations, some embodying administrative matters, other requiring legislation. The report was used as a basis for the amending Act, which has been dealt with and passed by this Legislature this session.

Today, Mr. Speaker, the Ontario workmen's compensation board is many things.

It is a system of adjudication and it is an administrative tribunal which provides impartial hearings in all cases appealed to it.

It is an insurance company and a trust company, providing lifetime pensions.

It is an educational institution responsible for the operation of nine safety associations who work with industry and labour in an endeavour to cut down accidents in all fields.

It is a hospital and rehabilitation centre.

It is a $120 million-a-year activity, employing 1,400 people.

At this point, Mr. Speaker, I would pay tribute to the staff of the workmen's compensation board. They deal with a great many cases. Last year some 374,000 new claims came before that board and I am pleased that in the discussion of the report of Friday and today, reference has been made a number of times to the courtesy, the co-operation and the concern of the staff to do a good job and help the workmen in compensation matters. And so I too pay tribute to them. I have found them most co-operative and most helpful in carrying out their job.

Mr. Speaker, in 1967, as the report before us indicates, 94.57 per cent of all cases reported to the board were accepted. Most were accepted on the basis of the initial reports from the employer, the workman or the doctor. Some were accepted following enquiry to gather more facts and others were accepted on appeal. In 5.43 per cent of cases the claim did not come within the provisions of The Workmen's Compensation Act. Mr. Speaker, there has been reference made to payment of compensation and I may say that this is a matter that I have discussed with the board on a number of occasions and I know how anxious they are to see that payments of claims are made as speedily as possible.

It generally takes several days for the employer, the workman and the doctor to notify the board of an accident. Nevertheless, 53 per cent of all claims not requiring extensive enquiry or investigation were paid within 10 working days of the accident and 84.1 per cent were paid within 15 working days.

While compensation is usually paid every two weeks, an initial payment of one week is made as soon as possible after the accident to assist the injured workman promptly.

Mr. Speaker, the report before us also notes that in 1967 the compensation board received an average of 1,492 new claims every working day for a total of 374,670 claims in 1967. Despite this large volume, each claim, I am informed, was considered individually and entitlement was determined on the facts reported.

But, Mr. Speaker, it is important for the hon. members to appreciate the possibility of human frailty and error is taken into account in these matters.

To ensure that justice is done, the board has a three-level appeal system.

Every workman whose claim is rejected is advised of the facts on which the decision

was based and of his right to appeal. No person party to the decision can sit on the review of that decision and each level of appeal acts independently and impartially in accord with the evidence. Written decisions are given, with reasons.

The first level of appeal is the review committee which reviews all evidence on file plus any new evidence supplied or obtained on further enquiry.

The second level of the appeal system is the appeal tribunal. Its sole function is to hold hearings of an enquiry basis, either in Toronto or in various county towns as requested by workmen. A summary of the information on which the previous decision was based is available to the workman on request to assist him in his appeal.

At a hearing, the procedure is informal and I think this is wise. The workman may be represented, if he wishes, by a union representative, MP, MPP, solicitor or other responsible person—or he may conduct his own appeal. Witnesses may be brought to give information to the tribunal but their signed reports or statements may also be presented.

Appeals of tribunal decisions are heard by the board itself in Toronto. The procedure here also is informal and similar to that before the tribunal. Mr. Speaker, there also is provision for a second appeal to the board if new evidence can be presented.

At this point, Mr. Speaker, the question that naturally arises is: How many appeals are heard? Well, sir, the compensation board claims that two million decisions affecting entitlement were made in 1967. You will appreciate that there are a number of decisions in reference to each appeal.

But what is more important, I think, sir, is that only 4,527 of these two million decisions were appealed to the review committee. This is approximately one-fifth of one per cent and, while I am aware that statistics can be used in a variety of ways, I think these I have just presented indicate that the present system is reasonably fair and reasonably just for the workmen themselves.

I may say that this appeal system came into being in 1965. I have arranged with the board to have an appraisal made of the system itself. No matter how good or how well a system may appear to be working, periodically we need to stand back and look at the system and see where improvements can and should be made.

And, Mr. Speaker, when one examines the treatment and rehabilitation services provided by the board I think that is a reasonable assessment.

Every injured workman is entitled to the best possible medical care at no cost to himself and is free to choose his own doctor initially or a drugless practitioner such as a chiropractor or osteopath.

Attending doctors report regularly to the board's medical staff on the progress of their patients. Highly-qualified specialists throughout the province consult in complex cases to ensure that injured workmen get the best possible treatment.

Where hospitalization is necessary semi-private accommodation is provided. All prescriptions drugs required because of disability are paid for by the board as are any necessary appliances or prosthesis.

The board also accepts full responsibility for paying the entire cost of any medical services needed.

In addition, Mr. Speaker, some years ago it became apparent that a workman's recovery would be improved if he received a sustained course of physiotherapy. Most general hospitals are equipped to give such treatment, but only for short periods each day.

To provide such treatment throughout the day, the board started its own service. The programme grew from a small operation in one room with several therapists until, in 1958, the board opened its present hospital and rehabilitation centre at Downsview.

Now, with 520 beds and facilities for outpatients almost 5,000 of the most severely disabled workmen are treated there each year.

Because medical rehabilitation is essentially an individual problem, several special clinics have been established to deal with problems individually.

There is a neurological clinic to deal with head injuries, an amputee clinic, a general trauma clinic and a back rehabilitation clinic which deals with the problem of back cases.

The clinics are headed by leading consultants and are staffed with teams of nurses, therapists, gymnasts and vocational rehabilitation counsellors.

And, Mr. Speaker, at the present time, research work is proceeding under the auspices of the board in a variety of fields. I will not go into all of these, but there is one in particular I would like to note and that is a large pressure chamber at the Toronto General hospital.

This chamber provides emergency treatment on an around-the-clock basis for those suffering from caisson's disease. It is also available for carbon monoxide poisoning and other conditions, like gas gangrene and barbiturate poisoning. That service is available, not only to workmen's compensation board patients, but to those who are in the Toronto General hospital or require that treatment.

There is constant follow-up of medical progress during the acute treatment stage and a continuing liaison between the patient's own doctor, the board's doctors and consultants.

The board's medical staff also assists the claims adjudicators through advice and opinion.

Board specialists assist in dealing with questions in claims concerning heart disease, industrial disease, industrial noise deafness and radiation sickness of all types. Close liaison is maintained with the environmental health branch of The Department of Health.

Mr. Speaker, I feel that one of the most important phases of the board's work, to me is its rehabilitation centre dealing as it does with the treatment of injured workmen and necessary help that they must have to take them back to gainful employment.

Every workman whose compensation is reduced to a partial disability basis because he is capable of performing suitable work is now offered assistance in seeking temporary employment, and the work has to be within his capabilities at the time, because it is an on-going matter. A workman is informed by letter when he is no longer to be paid and his compensation payments are being partially reduced. He is advised to contact his employer if he has not already done so concerning suitable employment.

If employment is not available and the workman requires assistance from the vocational rehabilitation department, he is asked to return a request for vocational rehabilitation service. On receipt of this request, the rehabilitation officer, head office, immediately telephones the employer and the workman in an effort to arrange modified employement.

If suitable arrangements cannot be made in this manner, a rehabilitation officer in the field contacts the workman and possible employers in person and he is asked if he wants assistance.

During 1967 some 975 requests for service were received. Of this number, 60 per cent were placed in modfied employment. Following inquiry, an additional 20 per cent were able to return to former employment.

Seven per cent were receiving further treatment and not available for employment at the time of enquiry. In 9 per cent, the workmen were not placed in employment as it was not feasible to locate suitable work. The remaining 4 per cent did not return to work for a variety of reasons.

It should be noted that, in cases where the workman is capable of suitable work but no job is available to him, the employment people, within the board itself make enquiries and assist him in finding additional work.

In the rehabilitation field, and it was mentioned this mornng by one of the other members, 91.37 per cent were satisfactorily placed in employment and their average weekly earnings amounted to $91.87 per week. Here, too, Mr. Speaker, it should be noted that, when these people went to work and received that salary on an average basis, in addition they received partial disability compensation.

Mr. Speaker, there are only two more aspects of the board's activities with which I wish to deal—administrative costs and its safety education programmes. We have had much debate on safety matters when the amending Act was before the House.

There are nine safety associations and the board is spending an ever increasing amount of money in that field to assist them in safety work and education. In reference to the administration costs of the board I think that it is important to note that in these times, when the work of the board is increasing substantially, the increase in the cost of administration and staff is not increasing at the rate of claims or payments.

Since 1957, while claims reported increased 37 per cent, employers covered increased 52 per cent and benefits paid increased by 119 per cent, the board's staff has increased by only 8 per cent. The actual costs of administration were 7 per cent of the funds received from the employers. That is a decrease, I would point out, of 4 per cent in 1967.

Now I had intended to end by issuing an invitation to the hon. members of this House to go and see for themselves the operation of the board and its rehabilitative centre. I know that many members have been there and it has not yet been possible to suggest that to the board, but it is my plan to do so next year.

Mr. Speaker, in closing, as Minister speaking for the department in the House, it has been my concern that the workmen's compensation board and the legislation that it

administers be kept up to date as much as possible.

I have taken careful note, as I said before, of the suggestions that have been made. We will, in the future months, seek to improve, as we have done progressively in the past, the workman's compensation legislation. I move the debate be adjourned.

Motion agreed to.

Mr. Speaker: This completes this order of business; next order.

NOTICE OF MOTION

Clerk of the House: Government notice of motion No. 1, by Hon. J. P. Robarts:

RESOLVED:

That, henceforth, every member of this House, may as a matter of right in this House, address the House in either of the two official languages of Canada.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I consider it an honour today to introduce this motion to the House which provides for the right of any member of the legislative assembly of Ontario to address the House in either the French or the English language.

As I present this resolution to the House today, I would like to say just a few words to put it in its proper context. It is a very simple resolution, really, and I would say it does little more than formalize and recognize what has been the practice in this House for at least the years that I have been here. What we are doing in this resolution, in effect, is recognizing a fact, a situation.

As in so many of our approaches to constitutional problems in this province, we have not really required that it be written down and spelled out. I think in many of the discussions over constitutional issues which have arisen in the last few years, if you examine what has been done in this province, you will see that we have pursued perhaps what might be termed a typical Anglo-Saxon approach. We have dealt with the situations as they arose, in a very practical manner, and really not paying too much attention to the legal niceties in order that we might do what appeared to us to be the reasonable thing to do. And so it is with the use of language in this Legislature.

It has always been assumed that any member could speak here in either of the two languages in Canada. But in placing this resolution on the order paper, it seemed to me that the time has come perhaps to give this situation formal recognition as a result of some of the events in the last few months, perhaps the last few years.

There are several events that have occurred in the last year, which, I have no doubt, have influenced the thinking of many Canadians about the character of their country, and in particular the position of the two linguistic communities—if I may put it that way.

Among these events, I would mention the Confederation of tomorrow conference, which this government sponsored last fall. It was followed very shortly by the first report of the Royal commission on bilingualism and biculturalism. That event was, in turn, followed by a constitutional conference called by our former Prime Minister, Mr. Pearson, in Ottawa in February of this year.

Since that time, yet another document has come to our attention which deals, at least in part, with this matter. I am referring to the document that was tabled in this House last month—the report of the provincial committee on the aims and objectives of education.

It was interesting to read in that document a recommendation which stated that, quite apart from expanding all other levels of French language education, conversational French should be a compulsory subject of instruction during the first year of a child's schooling. This is a recommendation in the Hall-Dennis report. I think many of us here would wish that this had been possible in the early days of our own education in this province. Perhaps I could quote from the Hall-Dennis report, because it does express a point of view that is held by many of us, and one that I have, on several occasions, tried to make. If you will bear with me, I shall quote briefly from that report:

> History has made the English and French the original nation-builders in this half-continent. Common sense in the national interest demands that this fact be accepted without reservation, and made the instrument whereby a country, unique in this respect, may shine before the world as an example of what should be a worthwhile ideal. Ontario has a major role, perhaps a decisive one, in holding Canada together, and its educational system has a prime responsibility and opportunity in this field. Ontario, through its educational system, has the opportunity to cement the partnership between English-speaking and French-speaking Canadians. The time is opportune for our educational authorities to say to all Canadians that French is not a foreign language in Ontario schools.

I think that that really is the nub of this entire situation.

> Notwithstanding the difficulties and shortages of personnel now existing, all boys and girls in the schools in the province must be given the opportunity of becoming conversant in both English and French, so that in the next generation our citizens may be competent to communicate freely with their fellows of the other tongue in Quebec or elsewhere. If this is part of the price of national unity, then let Ontario pay it gladly, for in so doing, it will not only do justice to all citizens, but its people will also reap rich dividends culturally and economically far beyond the cost of facilities and personnel needs to accomplish this result.

That is the end of the quotation from the Hall-Dennis report, and, Mr. Speaker, I cite these events merely to indicate the degree of progress that has been made. These are perhaps milestones as we go along the path of developing our country in its second century. There are many other public and private instances of initiative in this area.

However, it does seem to me that, with a resolution such as this, we really are doing nothing more than giving formal recognition to a situation that already exists. I believe that, in the hearts and the minds of our people, this must be accepted and that these things must have their greatest impact. That is why what we are doing today is nothing more or less than a formality.

At the conference in Ottawa in February, the government undertook certain actions. This, of course, was one of them. I do not intend to repeat what I said at that time, but we undertook to tackle the whole question of the French language in Ontario. We undertook to set up task forces to deal with various areas of the use of French in Ontario. We have achieved a good deal in the intervening period since February.

There has been legislation introduced in this House which will lead eventually to the provision of education at the elementary and secondary level for French-speaking children so that they may enjoy to the full the entire scope of our educational system. We have gone ahead with French primary and secondary schools. And we are going ahead with French teachers' colleges. We are going ahead with a French college of education. All of these matters will, of course, take time. But the beginnings have been made and I think we are able to say that we have carried out the commitments which we made in this area last February.

There are four task forces presently at work on the various problems which follow in the wake of those policy proposals we made in February. We will be receiving recommendations from these task forces in the next few months and I do not propose to do anything more today than to indicate the areas in which they are working in order that the House may understand that what we did undertake to do we are in fact doing.

We appointed a task force to deal with the very complex problem of the administration of justice. We set up another task force to deal with the use of the French language municipal administration. We set up another task force to deal with the use of French in the provincial public service. And finally, we set up a task force to deal with the use of the French language in regard to the Legislature, and our provincial statutes and official publications.

The task force on judicial administration, Mr. Speaker, is made up of the representatives from The Department of Justice and of the Attorney General, including the assistant Deputy Attorney General, who is the chairman; the registrar of the Supreme Court of Ontario; and the assistant chief magistrate of this province. This task force has on it as well the co-ordinator of the federal-provincial affairs secretariat and two research officers. That completes the group.

Mr. E. W. Sopha (Sudbury): Nobody who speaks French?

Hon. Mr. Robarts: Pardon?

Mr. Sopha: Anybody who speaks French?

Hon. Mr. Robarts: Yes, there are French-speaking personnel in that group and—

Mr. V. M. Singer (Downsview): Who are those people by name?

Hon. Mr. Robarts: Pardon?

Mr. Singer: Who are those people by name?

Hon. Mr. Robarts: Well, I would have to get the names for you because I have not got them all. But in answer to the question put by the member for Sudbury, the majority of the personnel in the provincial affairs secretariat are bilingual. We have some, whom I refer to as the modern generation of our university graduates, who just simply are

bilingual, whereas people like myself are not —being one generation ahead of them.

But coming out of our universities now is a pretty constant flow of bilingual personnel for which I think we may all be thankful. These are the men we have employed in this particular area and I think we might very well look forward to a period when bilingual personnel will just simply be there as a matter of course. Because this is what is happening, particularly among the young people in our universities today.

Mr. Singer: You mentioned assistant Deputy Attorney General. Which one are you talking about?

Hon. Mr. Robarts: Well, if you want to make a speech, you may do so in due course. If you want—

Mr. Singer: No, no.

Hon. Mr. Robarts: If you want me to list the personnel of each one of these task forces I will do that and table it here so that you will be able to know—

Mr. Singer: It would be helpful.

Hon. Mr. Robarts: —you will be able to know because there are four complete task forces.

That particular group has been studying the provision of bilingual judicial services in Quebec and New Brunswick. I would not in any way attempt to minimize the difficulties that arise in the adminstration of justice, particularly when all the precedents, statutes and so on are in one language, when the whole basis of the law may be in one language and not two languages. But, nonetheless, this is all being gone into very carefully.

The municipal administration task force has three representatives form The Department of Municipal Affairs and once again, I have not their names but I will provide them. And it has two, three people from the federal-provincial affairs secretariat. This particular task force is examining the situation in various municipalities in Ontario to see what services are presently being provided; to see what services might necessarily be provided and, of course, to look at how much services are to be provided.

Once again, we are drawing upon the experience of the province of Quebec and the province of New Brunswick and this task force is studying how matters are dealt with in those provinces as well.

The provincial public service task force consists of two representatives from The Department of Civil Service plus three from the federal-provincial affairs secretariat. Hon. members will see that the federal-provincial affairs secretariat runs through all these task forces. Then, of course, there is one member from the advisory services division of the Treasury board that sits on this task force as well.

Its aim is to develop a set of general principles which might relate the use of two languages and which could be applied to all departments and all agencies of the government. As we have discussed this on other occasions, we have made it very clear that we had no intention of making people learn second languages, but we do need to recognize where the services of this government should be provided in both languages.

The House might be interested in knowing that we have instituted a rather intensive level of education in the civil service for those who are interested. I think that there are quite a few members of this Legislature who availed themselves of the courses that are being made available. There are some 222 people in the civil service who have been nominated for French language courses and many of these are presently in classes. Some of them are still being tested and we have some more intensive courses and broader courses which will be made available to the civil servants this fall.

We also propose to provide courses for those civil servants who are working in the field in French-speaking areas so that they may take the language courses as well. We think that we will have several hundred civil servants taking the courses in the fall. This will, of course, be in addition to the flow of the people, as I mentioned in reply to the comment by the member for Sudbury; this will be in addition to those people who are coming into the civil service today who are bilingual. The task force which is dealing with this Legislature and our statutes and various formalities of Legislature is made up of the Clerk of the assembly, his assistant, the legislative counsel, director of our translation bureau and, once again, those three members of the federal-provincial affairs secretariat.

Now, Mr. Speaker, very briefly these are the things we are doing today. This is the way in which we are carrying out the commitments we made last February. At that conference, I said this resolution would be presented in this House and once again, I reiterate that what we are doing is really recognizing a state of affairs which has existed for a good many years.

But I think it is very necessary that this motion be put and accepted by this House. I hope it will be accepted by the House unanimously because it will indicate in a formal fashion that we are not only aware of the necessity of recognizing the two languages, but that we are aware of the problem of which this is nothing but a sort of an indicator. I think any examination of the first volume of the report of the B and B commission, as it is known, will indicate to any thinking Canadian that these matters are much deeper than just the mere use of language.

It is a recognition of the place in the total community of Canada of our French-speaking compatriots. I am delighted, in this House, to move a resolution such as this, which will recognize this situation and which will indicate that in this province, we are prepared—not only prepared, but willing and anxious—and we approach wholeheartedly and with enthusiasm the whole question of the recognition of the French fact, as it has been put so often in Canada.

Perhaps I might end these few remarks with a quote from Dr. Claude Bissell, the president of the University of Toronto. As you know, he has recently spent a sabbatical year at Harvard and, addressing an audience there, he said as follows:

> Above all, I place great confidence in the changing attitude of English Canada. Particularly, of those English-Canadians who live in Ontario, an attitude now based more realistically upon the facts of history, on a consciousness of the harsh acerbities of the past and on the strength and exuberance that the French-Canadians can bring to the Canadian scene.

Personally, it is my own feeling that we are very, very fortunate to have in this country a dual culture such as we have. I think it is one of the great strengths of Canada and to paraphrase myself at that conference, I made the comment there that I honestly feel our children will say "What were they arguing about? What was the discussion?"

Because it will be so obvious, and must be so obvious, that here we have one of the great opportunities of any country in the world to put together two great cultures and out of this to produce a distinctive Canadianism which, I think, we discovered to some extent last year, our Confederation Year, and which is ours to deal with if we only will. That is why I am so pleased to place this resolution before this House this afternoon.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I welcome the introduction of this resolution recognizing the use of the French language in this House. Speaking on behalf of my party, I can say we support it wholeheartedly.

I know the Premier, when he paraphrased himself as saying "What are we arguing about?", would be the first to recognize that there has been no argument that I can discern in this House; that there has been acceptance on all sides of the programme that has been proposed for more than a year now—in fact for some years—and which was enunciated by the Premier at the federal-provincial conference in February.

I well remember that moment and, if I may say so, sir, I thought that the Premier spoke eloquently on behalf of the opinion that is generally accepted, certainly in this House and across the province, at the conference at that time. It was extremely well received by all concerned.

His comment also that it has been his experience recently that graduates of our university system tend to be, as a matter of course, bilingual is perhaps a reflection more on the secondary system than the university courses that are available. His experience is perhaps comparable with mine and that is the teaching of French was something less than exemplary and efficient, although it required a good deal of work in the secondary system up until perhaps about ten years ago. It may have been during his own term as Minister of Education that some changes were brought into being. I do not believe by any means that it has reached anything that could be called an approach to perfection.

The quote from the Hall-Dennis report indicates very clearly that there seems to have been some kind of a roadblock, mental or otherwise, in the extension of the teaching of the French language down into the elementary grades. We would be treated, if the Minister of Education (Mr. Davis), were here I am sure, to some sort of an interjection which would indicate that it was all a matter of staff, but as we have pointed out in this House many times there are alternatives to the one that the Minister of Education and the Cabinet have undertaken in this province.

I believe that we have been lagging in a system which, in many other ways, is very progressive in the modern methods of teaching an effective knowledge of the French language in the schools of this province.

There are many areas of considerable interest associated with the resolution. When one looks back on the rise and fall of prejudice against the French and against the English in the use of their languages in various parts of our nation, it makes an interesting study indeed.

We need only go out the front door of this chamber to see some of the political leaders from both parties and some parties that we do not hear of much any more, who were involved in this controversy over more than the last century. When the Parliament at Westminster, in their wisdom, joined together Upper and Lower Canada into the united provinces of Canada, the members of the then Parliament or Legislature, as I believe it was called, were forced to travel many miles in order to convene to conduct the affairs of the nation or colony, as I suppose it would better be called under those circumstances.

It is interesting to speculate not only on the problems that they would experience when they would travel to Quebec City where the Parliament was convened for a number of years, or Montreal or Kingston, on the other hand, when the French members had to travel great distances in order to fulfil their responsibilities, but it is interesting to speculate on the problems of language.

There was no simultaneous translation. The education system in those days, of course, did not even give or would give very few of the members the modicum of knowledge that enables us to follow some of our political colleagues when they undertake the use of the language with inadequate background.

So, we can trace, if we wanted to take the time this afternoon, and I do not want to do that, in detail, the changing views of those people associated with various religious, various political persuasions, in the history of our province.

I believe it is interesting to note that we may have come through one of the cycles in which the attitudes in some parts of our province and some parts of our nation have been not as progressive as they might have been in the acceptance of one language or the other.

That is why, for a variety of reasons, I welcome the resolution here which simply gives the resolution of the House the acceptance of something that has been accepted in a *de facto* manner for many years.

We realize the rules of the House do not permit the use, up until now, of any language but English, and yet we have been treated in my short time in the House, since 1962, to brief speeches not only in French, but in the languages of some of the other groups that have made up the strength of our province and our nationality. There are others who are better equipped to talk about that aspect of the strength of our province, and really the strength of the contribution to the debates here.

As a matter of fact, the hon. member for Stormont, the hon. Minister without Portfolio (Mr. Guindon) may take part in this discussion later in the afternoon, and we all remember his contribution, and it may very well be he will want to burst into song again. We can look forward to that, perhaps, as the hot afternoon draws on for some several more hours.

But in listening to the Premier recount our approach to extending bilingualism through the services of our administration, his administration, and through the municipalities of the province, we welcome this as well.

I have often felt there should be the availability of an up-to-date translation service here for all of us as members who have to carry on some of our correspondence in French. We can arrange this ourselves, but it seems to me that it could be a responsibility, and, I suppose it is for many departments, a responsibility of the administration to provide this service.

As far as speeches made in the Legislature are concerned, while I do not feel at this time simultaneous translation is anything that would add very much to what we are doing here and would have some considerable financial responsibilities associated with it, I hope that *Hansard* would have the facilities to translate a speech that is delivered in a language that is not readily understood by all of us as members.

Now, I would say, Mr. Speaker, that this is a formality. It is an important formality, however. It had been my intention perhaps to attempt some comments en français, but the heat of the afternoon, and the fact that a good many of my colleagues have indicated that they want to make some comments as well has made me, I suppose, lose my nerve as much as anything else.

But we on this side welcome the resolution warmly. We looked forward to the extension of bilingualism in the service, particularly as the services of this government move out into the municipalities of those areas which are predominantly French-speaking.

On other occasions I have had an opportunity to discuss the extension of the French language in education. This has been debated on several occasions, and it is not necessary to repeat our views there, they are well known.

So, Mr. Speaker, I do not know what changes this will make in our debates. I hope that our members from French communities and those who have a facility in the French language will feel at home and at ease in this House in the use of the language.

We can anticipate the use of some other languages, I expect as well, and I hope, Mr. Speaker, that you will accept that use in the future as you have accepted the use of French in the past.

The matter under concern is one of great importance. The acceptance across the province is one that is much more enthusiastic now than it would have been, I suppose, even four or five years ago. And this is a change that all of us welcome, because we do live in a community that is changing, a community that is accepting the great advantage we have in our bilingualism, and the advantage beyond that in the languages and cultures that have come to us from so many nations of the world since 1945 and certainly before.

Hon. Mr. Robarts: Perhaps the hon. leader of the Opposition would join me in seconding this resolution?

Mr. Nixon: Indeed, Mr. Speaker, I would be honoured to be so associated.

Mr. D. C. MacDonald (York South): Mr. Speaker, I would like to begin by underlining and elaborating briefly on the basic points which the Prime Minister made in introducing this resolution.

As he indicated, this resolution merely formalizes what has become an accepted tradition in this House. In itself, it really is not a very great step forward. Therefore I think it is necessary that we should view this isolated effort at achieving a greater effort of bilingualism in the broader context of the programme that the government has given leadership in as enunciated over the past year.

Indeed, I think our objectives may be broken down into two.

First, I think we have got to give more effective teaching of French to those who are English-speaking now. The Prime Minister has noted the fact that, whether because of more effective teaching in the secondary school, as argued by the leader of the Opposition, or because of more effective teaching at the university level, we have more of our graduates today who are bilingual.

But I think we have to go right back into the school system, and to make certain that there is an opportunity for more extensive use of French in public schools and secondary schools, so that when one has completed some 12 or 13 years of education one will not be so completely bereft of a capacity to speak the language as has been the case in the past.

Secondly, and equally important, I think we have to note the objective of providing greater opportunitiy for speaking French to those for whom this is a mother tongue. Once again, this is in the making, so to speak.

We have the opportunity or the plans for the establishment of complete secondary schools as we now have complete public schools, in the language of French. The Prime Minister has reminded us this afternoon of the task forces which are tackling the problem of establishing bilingualism, not only in the general government services, in municipal affairs and in our courts—particularly in those areas which might become so-called designated areas, because they have a basic 10 per cent of population which is French speaking—but in a broader context, which I will not elaborate on further, Mr. Speaker. I think it is incumbent on us to make this resolution which I hope, along with the Prime Minister and the leader of the Opposition, will be passed unanimously by this House to make it a meaningful resolution, because quite frankly, Mr. Speaker, at the moment there is danger that it is going to be a mere gesture.

If I may just paraphrase what the Prime Minister has said, that it merely formalizes what has been a tradition—quite frankly, if we have no freer flow in the use of French in the future than we have had in the past in this Legislature, it is rather difficult for anybody to argue that the Legislature will have become bilingual.

I think something more has to be done if one is going to achieve bilingualism, and here I have a measure of disagreement with the leader of the Opposition. I do not think it is possible to achieve a greater measure of bilingualism in this House unless you have simultaneous translation. Rarely are people going to speak French in the knowledge that

many members of the House will not understand them while they are speaking French.

And they certainly are not going to be supplying copies of what they are saying in French and English. This is all too cumbersome.

If I may borrow the Prime Minister's term—if French is not a foreign language in Ontario, then to have a genuinely bilingual Legislature you must have a simultaneous translation of French so that the interjections and the free flow of the use of both official languages can take place in precisely the fashion that it can in the House of Commons at Ottawa.

I, for one, do not feel that the expense involved is going to be a great expense, in the broad picture of a Budget of $2.8 billion, and also in the context of the importance of achieving this objective.

However, Mr. Speaker, I am not going to go into further elaborations in English on how this resolution can be made more meaningful. I propose to attempt to say what I have to say in the language which is about to become an official language in this Legislature.

Monsieur le président, je suis fort de vous asurer de l'appui chalereux du Nouveau Parti Démocratique à la résolution au nom du Premier Ministre. Je le félicite pour ses efforts à la fois généreux et clairvoyants pour accorder à la langue française la dignité qui lui revient. Il fait bien de promouvoir l'acceptation du français par tous les députés.

L'on n'a pas toujours accordé à la langue française une telle dignité, une telle acceptation—et l'avenir ne sera pas différent du passé tout simplement parce que nous adoptons cette résolution aujourd'hui. Ce sera seulement par son emploi frequent et spontané que le français deviendra une langue courante —comme l'anglais—dans cette chambre. Je présume que cela est le but de la résolution.

Pour attendre ce but, faudra-t-il modifier davantage les règles et les traditions de cette chambre. La stipulation qu'un député, s'adressant à l'assemblee législative autrement qu'en englais, doit d'abord fournir une traduction en anglais, ne devra plus s'appliquer au français. Si un député a le droit de s'adresser à la chambre dans l'une ou l'autre des deux langues officielles du Canada, il faut écarter cette règle. Si non, le français continuera d'être traité comme une langue de second zone.

Il se peut que, par courtoisie, les députés parlant en français voudraient fournir leur texte en anglais à tous pour permettre aux députés non-bilingues de savoir ce qu'ils disent. Mais cela devrait être question de courtoisie, non plus de règlement. Les interventions en français devraient être aussi spontanées que celles en anglàis.

Si nous sommes d'accord qu'il est à souhaiter que nos débats soient spontanés en français tout comme en anglais, faudra-t-il que nous nous entendons à propos d'encore deux choises. En premier lieu, il nous faut la traduction simultanée en chambre. Deuxièmement, monsieur le président lui-même devrait faire de son mieux pour devenir bilingue.

Sans le premier, il sera toujours impossible pour un député de se servir de la langue de son choix confiant d'être compris—si pas toujours approuvé. Le traduction simultanée permettra l'emploi du français lors des débats sur les crédits gouvernementaux: il est justement pendant ces débats que nous avons quelques unes des "prises de bec" les plus importantes entre ministres et députés.

Je suis persuadé que le premièr ministre veut que cette résolution soit plus qu'une simple geste de bonne volonté; qu'il veut vraiment faire quelque chose pour reconnaître le désir des députés de tous les trois partis pour améliorer le sort des francophones d'Ontario. Donc, monsieur le président, je lui prie instamment de consulter avec vous pour déterminer la meilleure façon à installer tout ce qu'il faut pour la traduction simultanée en cette chambre.

En plus, monsieur le président, et avec tout le respect que je vous dois et en connaissance de l'importante position que vous occupez dans cette chambre assemblée, je me permets de vous suggérer que vous devriez faire tout ce que vous pouvez pour apprendre à vous débrouiller en français. De cette façon vous pourriez rendre vos décisions et faire vos observations dans la même langue que le député à qui vous vous adresser.

Pour terminer, je voudrais exprimer au premier ministre ma reconnaissance pour la célérité avec laquelle il a d'abord accepté, et aussitôt agi, sur la suggestion faite plus tôt cette année à l'effet que l'on donne des leçons de français au députés. Comme un parmi plusieurs de notre parti qui se prévalent de ces leçons, je peux attester de l'excellence de l'instruction et de l'utilité de ce que nous essayons d'apprendre.

In conclusion, Mr. Speaker—

Mr. P. D. Lawlor (Lakeshore): Bravo.

Mr. MacDonald: In conclusion, Mr. Speaker

—I do not know whether that "bravo" is in French or English—this resolution merely legalizes what has become a tradition. Nevertheless, I think that it is important because it reflects a greater measure of good will between the two founding peoples.

To borrow the Prime Minister's phrase, it is to be found "in the hearts and minds of our people". Also, it reflects a willingness to achieve a greater measure of bilingualism. In doing so, we will realize something more of the ideal of Confederation, which has been lost somewhere along the way in our first century.

It is vital for Ontario which has the largest bloc of French-speaking citizens outside of Quebec, to provide leadership. This resolution gives some expression to that leadership, and it is for that reason that it has our hearty enthusiastic endorsement.

Mr. Speaker: The Minister without Portfolio, the member for Stormont, has the floor.

Hon. F. Guindon (Minister without Portfolio): Mr. Speaker, I am delighted to participate in this debate and to urge all members of the House to support the resolution before us.

I believe that the adoption of this resolution will constitute another important step in our Prime Minister's programme to maintain and strengthen the unity of our country.

In this programme, first priority has been given to the satisfactory resolution of the linguistic and cultural problem. Few, if any, will deny that this is one of the central problems facing Canadians as we embark on our second century. Solving this long-standing problem in a spirit of common sense and goodwill, will create a climate favourable to the resolution of our other difficulties in the constitutional and economic fields.

I wish to record the gratitude of all Franco-Ontarians to the Prime Minister and the government of Ontario for the measures being taken in this province to recognize the French fact and to implement the recommendations of the Royal commision on bilingualism and biculturalism.

I would first like to mention the tremendous progress which has been achieved in French-language training in our schools and colleges. Last August, the government announced establishment of French-language secondary schools within the publicly financed school system. This session, we approved legislation which sets out the provision for the establishment of public French-language elementary and secondary schools. While the principle of bilingual education had earlier been recognized, until these bills were placed before the Legislature by the hon. Minister of Education, no specific statutory guarantee had ever been made for French-language schools in Ontario.

To Franco-Ontarians, this is of immense significance, for it means that regulation 17 is now effectively dead and buried.

The process of establishing French-language schools and classes has been proceeding in several municipalities since last August. I am happy to inform the House that in my home town of Cornwall, instruction in the French language is well established at both St. Lawrence high schol and General Vanier secondary school and planning for expansion of the programme is going ahead. By September, 1969 it is hoped that instruction at St. Lawrence high school will be basically in French.

Our government's ultimate objective, now within our grasp, is to assure every Franco-Ontarian student the opportunity to be educated in his mother tongue from kindergarten through university and beyond.

In addition to this progress in the educational sphere, the government of the hon. John Robarts is encouraging the use of the French language in this Legislature by means of the proposal now before us and is pledged to extend the French language in the civil service and in other governmental services in areas of the province where the use of French is substantial. Special task forces as mentioned today by the Prime Minister, are now at work to determine the best methods of accomplishing these objectives and many of our public servants are engaged in French language courses.

On behalf of the French-speaking minority in this province, I wish to commend the Prime Minister and the government of Ontario for programmes and policies which will enable the French-speaking people of Ontario to participate more fully than ever before in the growth and development of this great province of ours.

I know that there are those within this province who are most unhappy with the measures I have just mentioned. Some, because they feel the programme does not go far enough; others, because they feel the Prime Minister and the government have already gone much too far.

Mr. Speaker, one cannot over-emphasize the importance of moderation at this period in our history. It seems to me that, as legis-

lators, we must be the pace-setters in this respect.

For that reason, I was disappointed with certain remarks of the hon. member for Port Arthur in his maiden speech to this Legislature. I envy his ability as a speaker and I applaud his courage in placing views on the record which differ from those of his leader. But, I must also deplore his failure to acknowledge the fact that French has been one of this country's official languages since its formation in 1867. Nor can I understand why his constituents should be worried about having the French language "forced down their throats".

I would refer them to the remarks of our Prime Minister who stated, and I quote:

> Speaking for the intentions and efforts of the government of Ontario, let me state, as explicitly as I can, that our aspirations to achieve a wider and more formal recognition of the French language in Canada will in no way force anything on anyone.

I therefore hesitate and regret having to challenge that portion of a speech made by the hon. member for Sudbury, which was devoted to our constitutional crisis.

My challenge is not prompted by any lack of sympathy on the part of the hon. member for Sudbury for the aspirations of French-Canadians—far from it—or he was most lavish in his praise of French-Canadians.

Instead, Mr. Speaker, I am sorry that the hon. member for Sudbury finds the British fact in Canadian history so objectionable for I believe that the monarchy and our monarchial form of government continues to have great relevance for large numbers of Canadians. I would remind the hon. member that the government of Ontario does not intend to be party to the transformation of this country into a republic, nor do we intend to allow anyone to interfere with the basic concepts of our constitutional monarchy and our Parliamentry form of government.

That is not to say there will be no changes. Changes are certainly necessary, but the need for them will be considered carefully in relation to all that has served us so well in the past, incuding the institutions and processes of law and government which we have inherited from the United Kingdom and which most of us continue to cherish.

It is appropriate to recall that the hon. George Etienne Cartier spoke of the need for moderation in his speech during the Confederation debates on February 7, 1865. He said:

> The fact however is that when we see such extreme opponents as Mr. Clerk of the "True Witness", Mr. McDougall of the "Witness" and the young gentleman of the "Institut Canadien" combined to resist Confederation because each party argues it would produce the most widely different results—we might look upon this fact, as one of the strongest arguments in favour of Confederation. We have, on the other hand, all the moderate men.

It is appropriate to recall also that each of the French-speaking members of this Legislature and, indeed, all previous Parliaments to my knowledge, regardless of their party affiliation, have been moderates. It is appropriate to recall what our Prime Minister has had to say on this subject:

> The future of Canada is too important to be left to the whims of extremists on either side of the present debate. We are moderates. We represent moderates. As such, we are determined to make an important contribution to the new Canada.

It might also be appropriate for me to address a few words through you, Mr. Speaker, to my French-speaking compatriots in the province of Quebec.

I would first like to emphasize the Prime Minister's request to them not to ignore the many significant changes that have taken place in this province and in other parts of Canada.

In Ontario, as we have seen, bilingual practices are being widely extended in many former strictly English-speaking institutions. Major changes have been made in our educational system and a new awareness of the French fact is being developed throughout this province. But I would remind our friends in Quebec that the implementation of bilingualism will be a lengthy, difficult and costly business. In the words of *The Financial Post* of July 6, 1968:

> Officials – federal officials that is – acknowledge that no matter how hard they try, the process of providing bilingual service will be long, slow and full of difficult technical obstacles. Federal effort, it should be remembered, is only a fraction of what is sought in the Royal commissioner's bilingual districts. All levels of government and many other services are involved. There will be, in short, no overnight transformation.

As our Prime Minister has stated, if these efforts are made to appear irrelevant by some authorities in the province of Quebec, as appears to be the case in some areas, it will

be impossible for the rest of Canada to maintain progress in this field.

Results of the recent federal election have exposed the hollowness of the threat of separation. These results indicate that French-speaking Canadians in Quebec know that Confederation offers them the surest hope of preserving their language and culture.

Finally, I think the results of the election indicate the importance of the question of regional economic disparity within Quebec as well as throughout the rest of Canada.

In September the average wage or salary paid by British Columbia industries was $116.87. Ontario's figure was $107.70. Alberta's $103.40 and Quebec's $103.22.

The six remaining provinces were all below the Quebec average, with the lowest being Prince Edward Island at $72.54. Mr. Speaker, these figures indicate that, in September of 1967 there was a spread of $44 in the average weekly wage between Prince Edward Island and British Columbia. That breaks down, of course, to over $8 per day or more than $1 per hour.

Under these circumstances it is easy to understand why these Canadians are not unduly concerned about the preservation of French language and culture and constitutional amendments. It is easy to understand why our Prime Minister insists that the highest priority must also be given to the problem of regional economic disparity.

Mr. Speaker, the adoption of this resolution, I believe, represents another important step in Ontario's programme to strengthen national unity by recognizing the legitimate aspirations of Franco-Ontarians.

I was most delighted, Mr. Speaker, to see that the resolution is being seconded by the leader of the official Opposition and is supported so strongly in both English and French by the leader of the NDP in this Legislature.

I think it is a reasonable step. It is a moderate step. Let us take it with complete unanimity.

Monsieur le Président, il serait impensable que l'humble député du comté de Stormont qui depuis plus de 11 ans a eu l'avantage de parler dans cette Chambre honorable en français, aux applaudissements de collègues quit sont de langue anglaise, il serait impensable dis-je, de terminer ces quelques remarques sans le faire dans l'une des deux langues officielles du Canada, je veux dire: la langue française. Et j'ai l'impression, monsieur le Président, de me faire l'interprète fidèle de la pensée des quelques 700 milles francophones qui demeurent dans cette province en exprimant d'abord au Premier Ministre, à son gouvernement, et à tous les membres de cette Législature, leur reconnaissance pour le courage, la compréhension et la bonne volonté qui vient de se manifester aujourd'hui en ce que je dirais une heure solennelle et un moment historique.

Comme on le sait depuis quelques années, les canadiens en général, peu importe leurs origines, s'interrogent sur l'avenir de notre pays. Et dans ce dialogue, comme je le dissais tantôt, les modérés vont, je crois, jouer le plus grand rôle. Bien sûr, quand on joue un rôle sans tambour ni trompette, nous n'avons peut-être pas la publicité que nous aurions eu en réclamant des méthodes subverssives beaucoup plus révolutionnaires mais, néanmoins, nous avons tous, je crois, travaillé dans le plus pur intérêt de notre province et de notre Canada en restant calmes devant cette mer houleuse parfois et en comprenant le problème et en l'étudiant à la bonne franquette comme nous l'avons fait cet après-midi.

Je ne peux m'empêcher de féliciter tous ceux qui ont pris part à ce débat dont le parrain la résolution lui-même, le Premier Ministre, appuyé par le chef du parti de l'opposition officielle lui appuyé solidement par le chef du nouveau parti démocrate qui s'est exprimé dans un français impeccable cet après-midi.

Je crois qu'il faut faire l'impossible pour promouvoir l'unité nationale dans notre pays et pour cela je sais que le temps me manque d'en dire plus long, mais pour cela il faut éviter, il faut bannir les mouvements extrémistes. Pour ce faire, je crois qui'il faut nous donner la main peu importe nos affiliations politiques, donner l'exemple et par la parole et par tous les moyens possibles afin de ne pas donner naissance à ces mouvements réfractaires qui ne veulent après tout que la destruction du plus beau pays au monde.

Nous sommes inquièts et avec raison de certaines déclarations attribuées à des associations de la belle province. Je l'ai souligné tantôt en anglais. Certaines de ces déclarations semblent préconiser l'unilinguisme, or comment pourrait-on les accepter à cette heure-ci du dialogue òu en Ontario et dans d'autres provinces on parle de bilinguisme. Nous ne pouvons pas accepter la théorie de l'uniliguisme dans la belle province soeur. D'ailleurs depuis toujours, le Québec a jalousement respecté les droits inaliénables des minorités et je crois que cela a été l'argument le plus fort en faveur d'un bi-

linguisme d'un bout à l'autre du Canada. J'ai la ferme confiance et j'ai l'espoir que nos frères du Québec vont continuer à pratiquer cette méthode déja vieille de plus de cent ans.

Aujourd'hui en terminant, monsieur le Président, je crois que nous venons de poser un geste de bonne foi. D'une certaine façon, le Canada anglais tend la main au Canada français et je puis vous assurer encore comme interprète de cette minorité francophone que nous la serrons avec chaleur, avec franchise, avec gratitude, avec amour, et nous fixons notre regard sur un ciel plus prometteur.

En terminant, monsieur le Président, je n'ai pas l'intention de finir mon discours par un refrain comme ce fut le cas la dernière fois mais je ne puis m'empêcher de répéter pour une dernière fois ces vers de Sire Georges Etienne Cartier, "O Canada, mon pays, mes amours"—"O Canada, my country, my native land."

Mr. Speaker: The member for Dufferin-Simcoe.

Mr. A. W. Downer (Dufferin-Simcoe): Mr. Speaker, I would like to make a few comments on this resolution. I am not opposed to the resolution as it stands, but I have an idea that this is only the first step. I would like to know what further steps the government has in mind?

First of all, I think that the resolution is quite unnecessary, as the subject that it deals with is something that is already accepted in this House, sir. It has been accepted here for quite a long time.

In the British House of Commons, there are many, many unwritten rules. As a result, the rules are far more flexible than they are here. I think that the same sort of thing should apply in this House.

This resolution is meaningless unless it leads to something else, such as to make the province bilingual, something never envisaged by the fathers of Confederation, or by those great men who drew up the Act of Union of 1841.

To carry this to its utmost conclusion, would mean the expenditure of millions of dollars that we can ill afford. There are so many other items far more important on which to spend this vast sum.

It would mean *Hansard* in two languages. The court reporters, the stenographers, all along that line, would have to have their reports in both languages. It would also mean that immigrants coming to the province would have to learn two extra languages. You know that one is difficult enough to master. These people would have to know their own native tongue and the two languages that they would have to have here.

Now, I am not concerned with the racial or religious overtones of the people of Canada. It is my very firm belief that we should call ourselves Canadians, not Irish Canadians, or Scotch Canadians, or German Canadians, or French Canadians—just Canadians. People should say: I am a Canadian. That is the proudest word that one could use.

It has been proved, too, in many parts of the world that the two language state is not always a happy state, or a contented state. Take Belgium for example. The Flemish and the Walloons are always at loggerheads and each other's throats. The same is true in South Africa with the two language groups there, the Afrikaans and the English.

Mr. D. M. De Monte (Dovercourt): They have three official languages in Switzerland and there are no problems there.

Mr. Downer: They have their problems there, too. Now, we hear much these days about the "minority" and the "rights of the minority", and they get a lot of publicity in all news media. Consequently, a great deal of the attention focussed on them is often wholly out of proportion to the importance of most of the issues involved. But no one who believes in democracy would deny a minority group the right to a hearing, or permit any injustice that they might possibly be subject to. But the word minority implies inequality. This, I contend, sir, is not true here in Ontario. We have our human rights code, which provides penalties for anyone who would discriminate against another on the basis of religion, or race, or colour, or language, and surely we have covered the whole situation.

The minorities have the same rights as the majority, but they should not have any greater rights. Canadians of French descent in the province do not lack anything that the majority possesses. Resolutions do not always cure the ills that they are supposed to cure, and sometimes they intensify the troubles. If there is a feeling that giving these people more rights would make for better relations between the different areas of Canada, then I feel that the idea is erroneous.

It is my feeling that the major difficulties are not linguistic or cultural, but economic. Why we are constantly dealing with the small side issues and not facing the real problems

is more than I can understand. The great freedoms: religion, assembly, and speech, are enshrined in all our hearts, but freedom from want is not yet secure. Secure that freedom, and I am sure that all our other difficulties would disappear, and that is why I say that this resolution is meaningless.

Here in this House, the French have the right and they have had it for some time, to use their language. The fact that almost one-third of Canadians are of neither French or English origin, points up the serious disruptive consequences which would result from designating any language as a second official national language. In June 26, 1877—my predecessor was talking about 1865—Sir Wilfrid Laurier had this to say in the city of Quebec:

> Can you find under the sun a happier country where French people enjoy greater privileges? Why then do you try to claim rights incompatible with our state of society, to expose the country to an agitation, the consequences of which it is impossible to conceive?

Well again I say that bilingualism is not essential to national unity. The opposite is true, and the truth is that no country with two languages can ever hope to be really united. I mentioned this before and I think it will bear repetition: Belgium, India, South Africa, are examples, and in nearly every case, the language is used to emphasize or segregate a particular segment of the population. There is no surer means of division. Let us have one nation, not two, or ten. We are all of equal importance, with equality of opportunity, with everyone in full possession of their democratic rights and liberties which have been the heritage of free men. Freedom for all.

Friends, Mr. Speaker, freedom will be a reality, and only a reality when social security and human welfare for all our citizens become a fundamental objective of the nation. Thank you very much.

Mr. Speaker: The member for Port Arthur.

Mr. R. H. Knight (Port Arthur): Monsieur le President: Ce de langue française jouiront du decision de cette assembée a introduire, a apprendre et a parle la langue française. Et j'ai beaucoup admire ce de nos deputes qui ont sacrifier de longues heures pour étudier la langue. J'admire aussi tout l'esprit que ce qui ne sont pas de langues française ont montre dans ce projet.

Mr. Speaker, I am certain that all those of the French language in this province will applaud the decision of this assembly to introduce, to learn and perhaps even to speak, the French language. Certainly, I would like to say now that I very much admire those of our members who have sacrificed many long hours in order to study the French language.

I have also admired the wonderful spirit with which those who are not of the French language have shown toward this entire project of bringing French to some official capacity in the province.

This does not mean that I agree with the principle. I think that the dean of this House —the hon. member for Dufferin-Simcoe is to be congratulated—has certainly won my respect because he has proven himself a man of courage to go against a resolution that has been introduced in this House by the Premier of the province. I very much admire him for what he has done. He is saving face for us.

I have been very much afraid all along that this issue—not issue, this intention—of bringing, or validating, the French language to some official capacity, would be done through the enactment of legislation which might not have undergone the test of argumentation in the House. It seems to me that nothing should be legislated upon, no law should be brought into effect in this Legislature that has not been put to the test of fire, a proper debate. I would hope that some of the contributions I have made would help to do just that.

We are talking about a large expenditure of money. We are talking about introducing and changing – altering really – the social aspect of our Ontario society. We are elevating French to a new position. We are certainly elevating the bilinguist to a position of privilege, and to say that the French language is not being forced down the throats of our people is wrong. The civil service—there are so many of them—these are residents of Ontario; they will now find it to their advantage to learn the French language in order to get into, perhaps, better positions. They may think that if they do not do it, they are going to be left behind. Try and tell me that French is not being forced down their throats.

Teachers who want to get ahead in this province and perhaps stay ahead of certain French teachers, who would be brought in from Quebec, will be smart to learn the French language. I am sure a lot of them out there are doing it right now to stay ahead of the game.

This is perhaps one of the most difficult subjects I have ever tackled, not only in this

House but anywhere, because, of course, my leader and this party stand pat in support of this legislation. I must say at this moment how much I admire our leader and our party for allowing me—perhaps this is why I am seated way off here in the corner to be a little bit of a rebel—but believe me I am not a rebel, I am not a bigot.

My remarks are not intended to exemplify the narrow mindedness of some people who are opposed to the introduction of the French language to some official capacity for what you might call very narrow minded reasons—very bigoted reasons—mine are not that way—I am extremely close to the French-English problem. I am exactly that myself—half-French and half-English.

I have had occasion in the last six months while commuting back and forth to Trenton, Ontario, to speak to many people of French origin and English origin from the Montreal area on the train. I have found that the French people in Quebec take no notice at all that Ontario is going French. It does not mean a thing to them. As a matter of fact, I brought the matter up during the question period in the House a few months ago, and as we read the paper we see it more and more they are phasing out the English language in Quebec. The English people from Quebec that I have spoken to are very disturbed and very upset about it, believe me.

So while we, in this province, are doing everything we possibly can to make the French more comfortable, it would seem that in Quebec everything possible is being done to make the English less comfortable. So I say to you, what are we accomplishing? We are going to satisfy, perhaps, 600,000 people. We are going to make them more comfortable, but will we be doing them a favour in the long run, because, after all, where will their children have to earn a living? Probably in Ontario, which is primarily English.

If we bring them up in the French language I do not think we are fully equipping them to earn a living and carry on a happy life in Ontario. I am sorry to be the one in this party to sound a contrary note to this thing, but I will not vote against the resolution. I will not vote against it, because I know it is going to go forward. I know it is going to be approved this afternoon, and I know that those who are supporting it are doing it with the highest and the best of intentions.

I know what an impression it has had on the Ontario residents of French origin. I know that all the intentions are proper and so for that reason I will support it. Another reason why I will support it is that the resolution states that both languages will be acceptable in this House, that we will all be able to speak one language or the other, and who am I to speak?

I have made use of that privilege already three times, but as the member for Dufferin-Simcoe, I am concerned about what this step will lead to. I am concerned about how much it will cost and how closely it will eventually affect the lives of our people personally.

Perhaps there is not too much outcry. Perhaps it is being found very acceptable right now by many people, but I do fear that once the principles that will follow from this initial one are put into effect—once these affect the lives of people in Ontario personally—we will hear a lot more.

I would like to echo the sentiments of the member for Stormont when he said that this will not be easy. He said it himself. We have launched on a difficult course, and it is we in the legislative position who are going to be responsible for whatever difficulties that arise from our legislation. There is a happy mood in the House today that we are going ahead with this very fine thing. We are being great Canadians. I certainly hope that when the days of difficulty come, we will be equally fine Canadians and be able to live up to the responsibility of our actions.

I wonder about this resolution that the Premier has introduced from this point of view. It seems a little bit premature inasmuch as the Legislature at this time is not equipped to handle both languages. I think that was proven very conclusively the other night when I put a few remarks to the hon. Provincial Treasurer (Mr. MacNaughton), and I had to translate my own remarks. I do not blame him, because I do not expect him to know French. I do not see why he should have to, and I do not see why he should—perhaps he felt no personal embarrassment, but in a way he was embarrassed.

It was as though he was a sort of lesser person because he was not able to react to my words in French. Of course, he is not, but this is what the French fact does. Once you accept it, this is what it does. There will be many moments of embarrassment in the future for the people of Ontario, because of this.

I say let us be extremely careful. I will certainly do everything I can to help this dream become a reality and to succeed. I will certainly not fight against it. I will

argue against it at this time. I will put forth my reservations as I have, but I will certainly try to do everything I can to make a success of it later on. I think we should all try to obey the laws of the land, and this will become law. I will certainly do my best to obey it and to make whatever contribution I can to its success. But at this time, I would be very much a hypocrite if I did not voice my reservations.

Mr. W. Ferrier (Cochrane South): Mr. Speaker, I rise to enter this debate and I hope I will steer the debate on a different direction than the last two speakers have seemed to push this debate.

During the federal election, the Liberal candidate addressed our area over television in French. He told the people that it was very important that they vote for Mr. Trudeau because Mr. Trudeau would be the one to keep Quebec in Confederation, grant certain rights to French-speaking people. He tried to use the big stick to scare them and say that if they did not vote for the Liberal Party, that if separation took place, their rights in Ontario and their place in Ontario would be greatly jeopardized and they would, no doubt, lose their language.

I would like to compliment the hon. Prime Minister for the step that he is taking today in introducing this resolution and the leadership he has given in this field in this province. Because I think that he in the right direction. After listening to the last two speakers, I can see that there was some content in what that federal Liberal member had to say; that there are certain people in this province who would try to cut off the rights that the French-speaking people of this province should be granted—and slowly but surely they are being granted under this government.

I think it is important for us, as legislators, not to acquiesce in that which is not of the highest spirit. I think it is improper for us to reinforce prejudices and to try to preserve the status quo at all costs. I think it is important for us to lead, and to do that which is right and true and just. This was what I felt was my responsibility when I was in the pulpit, and I think this is my responsibility when I stand in this Legislature.

There are those in our province, our section of the province, who are unilingual; unilingual French. The majority of French people are bilingual. They have made the effort to learn English, but the English-speaking people too often have turned their backs and said they have got to learn our way and that is it.

The person who has been the loser has been the English-speaking person, because there is a great deal to be gained in learning another language, learning another culture and finding another way of looking at things and thinking about things.

I think some of the reforms that have been introduced in this session that we are to look forward to—French-speaking secondary schools in this province for those areas where there is a sufficient proportion of the population that are French-speaking—is certainly something that is overdue, and something that is very, very much welcomed by the French-speaking people of this province.

In my riding, the people have struggled along, financing their own French high schools, and this is a great relief to them.

Another thing that is of concern to me, is that there needs to be more French-speaking doctors in this province for the French-speaking population. The French-speaking people have all the rights of the English-speaking, we were told by the hon. member for Dufferin-Simcoe.

I wonder if he has ever gone to a French-speaking doctor, or a doctor speaking some other language, and tried to explain all the aches and pains he has. There is often a breakdown of communication at this point, and I would like to say that I think that something more could be done in making the courts of this province bilingual. I do not feel the French-speaking people of this province are perhaps treated on the same basis as those of other languages. I think that certain rights should be given to them, and that we should have bilingual judges and bilingual magistrates and, if possible, the courts conducted in French in areas where there is a large part of the French population.

I would like to say to the English-speaking members of this Legislature that we have a great deal to learn from the French when it comes to broadmindedness, generosity of spirit. We are far behind them, and there is a great deal that needs to be done on our part to catch up.

Certainly this resolution would mean that we have to perhaps pay a good deal of money for translation services, to have simultaneous translation and so on, but I think it is worth the effort to make our French-speaking people of this province realize that this is their province too, and that they have done a great deal to open up the north coun-

try. They have pioneered and they sometimes have sacrificed as much, and maybe more than some of us who are English-speaking.

I am very happy about this resolution, and I give it my whole-hearted support. I had hoped that all of the members of this House would speak in favour of it. I hope that the members of the government party will follow the Prime Minister in the lead that he has given here, and in conclusion, I would just like to say this:

Je donne mon appuie à cette résolution.

Mr. W. E. Johnston (Carleton): Mr. Speaker, I intend to support this resolution, but at the same time, to place on the record some views of mine which I know are shared by the majority of residents in the historic riding of Carleton.

There is anxiety and insecurity about the future of our nation, and I sense this throughout my own constituency. We are deeply troubled about this, and feel that now is the time to review the situation carefully before we go any further down this uncertain path.

Mr. Speaker, much of this atmosphere of crisis has been created by the spurious claims of power-hungry politicians, who ignore the realities of the past, present or future, and who are spreading their philosophy throughout the land in a most irresponsible manner.

Yet out of the various demands which have been presented to us it is possible, for the first time, to get a glimpse of what the leaders in the province of Quebec are demanding. It was set out quite clearly by Laurier LaPierre in the Toronto *Telegram* of February 3.

According to LaPierre, we must first accept the proposition that two societies—English and French—constitute the totality of Canada. Then we must discard the old scheme of majority-minority relationships and understand Canada as the manifestation of two co-equal societies.

Next, we must re-write our constitution from scratch so that, as he says: "This co-presidency will exist over a free, independent sovereign republic of Canada".

Mr. Speaker, it would be nice if one could dismiss this concept as the pipedream of a single French-speaking socialist. However, I believe that those who have read the B and B report, and followed the conference in Ottawa know that LaPierre's alternative to Confederation is a pretty accurate description of the full price we will be asked to pay to keep this nation together.

I am worried, therefore, Mr. Speaker, that the resolution before us—which is reasonable and acceptable—is simply the first step towards official bilingualism throughout Canada, and beyond that to the acceptance—in one form or another—of two co-equal societies, one English-speaking and one French-speaking.

We are being asked, it seems to me, to deny the British fact in our history and to discard those concepts of freedom, justice and democracy as expressed in our British traditions and institutions of government, and under which our province and our nation—including Quebec—has prospered as few other lands anywhere in the world. We are being asked to forget the contribution which those whose origins are neither French or English have made in the development of our country.

We are being asked to believe that, for 200 years, the French language and culture have been oppressed, and to accept a major share of the blame for the dissatisfaction and turmoil which exist in the province of Quebec today.

I reject this proposition. I feel that the resolution before us will do little to placate the demands of Quebec, or to promote national unity. On the contrary, by its implications for the nearly 2 million citizens of this province who are neither French nor English, it may well have a divisive effect. This resolution is based on the recommendations contained in book 1 of the B and B report.

I am certainly no language and culture expert, Mr. Speaker, and frankly I am confused by this report. First of all, on page 21 we read the terms of reference, and I quote:

> The essence of the commissioner's terms of reference is:
>
> To enquire into and report upon the existing state of bilingualism and biculturalism in Canada, and to recommend what steps should be taken to develop the Canadian federation on the basis of an equal partnership between the two founding races, taking into account the contribution made by the other ethnic groups to the cultural enrichment of Canada, and the measures that should be taken to safeguard that contribution.

Mr. Speaker, I find it difficult to agree with these terms of reference. As we have already seen, The BNA Act was an attempt, in part,

to overcome the evils of an equal partnership between Canada East and Canada West. Today we are being asked to accept this unworkable and undemocratic principle of equality between our two linguistic groups as the basis for the new Canada. This proposition must surely be rejected if Canada is to survive as a nation.

On page 31, the commissioners explain their definition of culture as follows:

> In this sense, which we ourselves shall use, culture is a way of being, thinking and feeling. It is a driving force, animating a significant group of individuals united by a common tongue and sharing the same customs, habits and experiences.
>
> Clearly, the two cultures designated in our terms of reference are those associated with the English and French languages in Canada. But, as there are the two dominant languages, there are two principal cultures and their influence extends, in greatly varying degrees, to the whole country.

In this definition, Mr. Speaker, you will note there is no reference at all to either religion or education. The definition of culture from the Concise Oxford Dictionary is as follows: follows:

> The training and refinement of mind, tastes and manners; the condition of being thus trained and refined; the intellectual side of civilization.

The Standard College Dictionary defines culture as:

> The training, development and refinement of mind, morals or tastes; the condition thus produced, refinement, enlightenment. The sum total of the attainments and learned behaviour patterns of any specific period, race or people regarded as expressing a traditional way of life, subject to gradual but continuous modification by succeeding generations.

Webster says:

> The body of customary beliefs, social forms and material traits constituting a distinct complex of tradition of a racial, religious or social group.

The commission's definition hardly seems adequate for the situation in Quebec, where education was almost completely in the hands of the church from the very beginning until 1964. In such a situation, education and religion together were, I suggest, the dominant factors in the culture. In case there is any doubt about this statement, let me quote from French-Canadian authorities.

From the classic novel, *Maria Chapdelaine*, we can get a glimpse, I believe, of what we are talking about:

> Three hundred years ago we came and have remained . . . strangers have surrounded us whom it pleases us to call foreigners; they have taken almost all the power; they have taken almost all the wealth. But in Quebec nothing has changed. Nothing will change because we are a pledge.
>
> That is why it is necessary to remain in the province where our fathers dwelt and to live as they lived, so as to obey the unwritten commandment which shaped itself in their hearts, which passed into ours and which we must transmit in turn to our innumerable children. In the land of Quebec, nothing must change.

Then we have Maurice Duplessis, the father of the Union Nationale Party:

> The Legislature of Quebec is a fortress that we must defend without failing. It is that which permits us to construct the schools which suit us, to speak our language, to practice our religion, and to make laws applicable to our population.

That this culture has survived and flourished under our federal structure, no one in this country can deny. Nor can anyone deny the fact that in the political sphere it has motivated French-Canadians to exert a much more important influence on the federal government than any other single province in the country. For example, Mr. Speaker, since 1900 the Quebec vote has been an almost solid bloc vote—except on three occasions, in 1911, in 1930 and in 1963.

Throughout that period, the Quebec majority in the federal Parliament has sat on the government side in all administrations except four.

In the economic sphere, Quebec has certainly lagged behind Ontario, but this has little to do with linguistic or cultural inequality. As early as 1706, the intendant of New France included in a report the following statement:

> The English do not leave their homes as most of our people do. They till their ground, establish factories, open mines, build ships, and have never looked on the fur trade as anything but a subordinate part of commerce.

From the beginning, French-Canada chose to

follow a different way of life, which in many respects did not undergo any radical change until about 1960. The classical tradition of French-Canadian colleges prevented graduates from playing their full part in the scientific, engineering and business development of their province.

To realize how much blame attaches to the educational system—with which English Canada had nothing to do, one need only look at the intense efforts now being made to reform the system, to fit it better to the times in which we live.

The situation outside Quebec is very different, and differs again from one province to another. Here in Ontario, as the Prime Minister has often stated, we are proud and fortunate to have many cultures; the products of different racial backgrounds, religions, and so on. English Canadians today are not united by environment, language, education and heritage to the same extent as is the French-speaking Canadian.

This may not have been true of Ontario at Confederation, when this province contained about 13,000 persons whose ethnic origin was neither English, French nor American. But, fortunately, for us, our ancestors were less interested in the purity of English culture than in the development of our province.

As a result, Mr. Speaker, we have in Ontario today a total of 1,877,615 persons whose ethnic origin is neither English nor French. Franco-Ontarians number 647,941. However, in the B and B report, the commissioners have chosen to show the composition of our society by mother tongue rather than ethnic origin. The differences between these two sets of figures are quite revealing.

For example, the B and B report shows only some 183,000 citizens of German origin, whereas in fact there are over 400,000. We are fortunate and proud to have these wonderful people in this province, and the same must be said for the Italians, Dutch, Polish, Scandinavian, Ukrainian, Jewish and others —including our Indians and Eskimos.

It seems to me, Mr. Speaker, that the B and B commissioners have placed undue emphasis on the language aspect of culture, and in their recommendations they appear to have completely ignored the other ethnic groups in this province, who today outnumber Franco-Ontarians by more than three to one.

I am further confused by our government's acceptance of bilingualism but not biculturism. I agree completely with the Prime Minister's statement that we have many cultures here in Ontario, although they are expressed in the English language. If then, our citizens of German origin, for example, can retain their cultural heritage while speaking English, why is it not possible for Franco-Ontarians to do the same?

Our province has already embarked on a considerable programme of French language training in our schools, and this programme has been accepted and supported by voters throughout the province. The object of this programme, I believe, should be to ensure equality of opportunity for all our children, that their education is not handicapped by the language spoken in the home. The same priority should be given to special English classes for children of new immigrants who are unable to speak English.

But I think we must be realistic. The teaching of English to all groups in this province is of paramount importance unless bilingualism is imposed on the entire province. This I know is not the intention of the government.

Consequently, if we are not to prejudice our children's futures, we must recognize these facts. Extension of French language training in our schools must take into account the needs of our children as we, in this province, see them—and not as a response to the unending demands from the province of Quebec, or anywhere else.

For the same reasons, I feel that the extension of provincial and municipal services in French is of more doubtful value still. It will be a costly programme to implement and difficut to control. But what is much more important, I feel, is the fact that unless such facilities are provided throughout the entire province, we are simply going to separate or isolate our Franco-Ontarians from the mainstream of life in this province.

What is the advantage, Mr. Speaker, in providing these services to Franco-Ontarians? Do they want to be separated in this way, or do they want to become Ontarians in the same way as those of all other ethnic origins, including English, Irish and Scottish?

In other words, Mr. Speaker, are we acting in the best interests of all the citizens of this province, or are we simply reacting to the unrealistic demands of Mr. Johnson and others in the province of Quebec? This is the question that must concern us in this House.

Mr. Speaker, the need for an honest appraisal of this Confederation crisis is long overdue. Those French-Canadians who liken the situation in Quebec to that of a new nation seeking freedom, are using spurious

analogies to lessen the burden of their own responsibility. They are the ones who belong to the colonial school of thought. They believe that all Quebec needs to do to move ahead is to free itself from the colonialism of the English regime. However honestly held, this view is wrong, because French-Canadian colonialism or oppression is a state of mind, and not a reality!

By acceding to their demands, language or otherwise, we merely cover up the hard, cold fact of life. Even if we all learn to speak French, what of the 200,000,000 English-speaking Americans who are our closest neighbours and friends and with whom we do the bulk of our business?

In this respect also, Mr. Speaker, our neighbours in Quebec are far from realistic. If they want to do business with Americans—and they do—they must learn to speak English, whether they call themselves Canadians or something different and regardless of the language spoken in the rest of Canada.

Ironically enough, Mr. Speaker, it is the French-Canadians' linguistic and cultural freedom which has effectively separated them from the mainstream of progress and development in North America. Nor is separatism a reasonable alternative. On February 7, the *Globe and Mail* reported the major findings of a study on the economic implications of separatism carried out by a Mr. Brichaut, Belgian-born economist who has been studying the subject since last fall.

Mr. Brichaut said that:

(a) Mr. Levesque's plan for maintaining economic ties with the rest of Canada after separation would never work, because of English Canada's adverse reaction to separatism. This has been confirmed by Lester Pearson himself.

(b) Quebec as an economic entity is a figment of the imagination of Quebec nationalists.

At the last count, according to the gentleman from Belgium, he said that in practice that Quebec is totally dependent on the presence and goodwill of outsiders for its economic survival, both internally and in international markets. As the instability and economic situation worsened in an independent Quebec, the government would seek to exercise an ever-increasing degree of control over the business world.

The residents of my riding, Mr. Speaker, were greatly reassured by the Prime Minister's detailed and forthright statement on the Confederation crisis to this House on February 27. This explanation has dispelled much of the concern created by conflicting reports on Ontario's position at the recent Ottawa conference.

I feel certain that they would wish me to support this resolution, since it simply formalizes a practice of long standing. At the same time, they are concerned, as I am, with the uncompromising attitude of the province of Quebec. With each concession from English-speaking Canada the ante is raised. The bill at the Ottawa conference was higher than at Toronto. And we are still not certain what the final bill is likely to be. I agree with Eugene Forsey who said recently:

> Canadians are hearing too much about the French fact, and not enough about the British.

For that reason, sir, we feel that Ontario should extend the hand of compromise no further in the interests of national unity until it has been established—beyond doubt—which nation we are attempting to preserve.

Mr. Sopha: Mr. Speaker, perhaps you will permit me, by making a personal reference, to tell you of the joy I experienced yesterday when I visted a summer camp on Lake Nipissing. It is operated by a priest who is an outstanding figure in our community, Father Regimbal. He, incidentally, is the brother of Roger Regimbal, the joint chairman of the Conservative convention at Maple Leaf Gardens last September.

This camp, operated by La Centre des Jeunes de Sudbury, was a girls' camp and my daughter, ten years old, grade 5 at Ecole Ste. Denis was a participant in the very entertaining programme that they put on for the parents. And I stress to you, sir, the extreme pleasure that I felt that there was not a word of English spoken all afternoon. And I tell you about the parental pride that I experienced when I heard my daughter participate in this programme speaking in fluent French.

My son started le jardin last September at Ecole Ste. Denis. We live in a community where there are many bilingual schools. We moved in April and quite close to the area of the town in which we now live there is a bilingual school. Toward the end of the school year, my wife and I wondered how well our son was getting on in French. We had heard that boys were not as proficient as girls, so we asked him one night at supper, to say something. The only thing that he knew, sir, was his prayers.

Now we are Protestants. Whereas my mother and grandmother might be horrified at a Protestant learning Catholic prayers, we

live in the age of ecumenicity now and participation in the religious exercises of other faiths in the present world is perfectly all right. He is very good in French in prayers, but I must say that every time he lost his place he had to go back to the beginning and start over again. This took the better part of a half hour to get through them once.

Well, sir, I make that reference in saying what are the realities of the past. That phrase was used twice by the member for Carleton. What personally are the realities of the past?

My great grandfather came down out of Quebec and got a Crown grant of land in Belleville, sometime around 1840. After that, his place of residence in Quebec was obscured in the mist of the past and none of the family after that could say precisely from what part of Quebec he came from except that it was on the south shore.

Our name was Sauvé then and my great grandfather Sauvé married an English-speaking woman who had come out here indentured as a maid, as a domestic. She worked at a place called Codrington, down near Belleville. She changed the family name, the religion and the language—all in one fell swoop.

I have seen pictures of her. She was a very fearsome woman, very dominant.

Well, what are the realities to me, personally? The realities, then, are that finally things become rectified in about three generations. My children become fluent in the French language and are also able to speak the English, the mother tongue, with facility.

I deeply regretted the attitude taken by the member for Carleton and the member for Dufferin-Simcoe, as much as did I regret the participation of support of my esteemed colleague for Port Arthur. The realities of course, are that this country started on the Plains of Abraham when those two young men fought it out.

They talk about youth taking over today. Wolfe was 32 and Montcalm was 47, when they fought it out. By the chances of fate, the English were victorious. The choice left with the English, as conquerors at that point, was whether to treat the French as conquered people or to do what they, in fact, did—to treat them as equal partners in the building of the nation on the northern half of this continent.

That decision was affirmed, of course, by a statutory enactment of 1774 and reaffirmed in 1791. From that time on, French Canadians were accepted as equal participants. Now that rose out of the climate of the times. The threat of the American revolutionaries and the uncertainties as to what the Indians might do. All those things led to those decisions. But the decision was taken, and it is part of our history.

That decision was only really changed once and that was referred to by the member for Dufferin-Simcoe. Lord Durham was sent out here in the latter part of the 30s and he took a very patronizing and cavalier view of the French Canadians. His report is distilled in one part of it where he says in effect that the best thing we can do for those people is to save them by anglicizing them.

We will get them all speaking English and that will solve all the problems of the two nations warring in the bosom of a single state. But that did not work and John Diefenbaker was so horribly wrong at Maple Leaf Gardens when he called that experiment of 1841 a two-nation policy. It was the very opposite of that. It was a one-nation policy with the intention of eliminating the French Canadian.

By 1857, of course, it was recognized that that would no longer work and something had to supplant it. What, in fact, supplanted it was that the French Canadian refused to be anglicized. He survived by the multiplication of birth. Really he won the war in the bedrooms of French Canada. That is where it was won.

Well, there were just a few thousands at the time of the conquest. These people who treat French as their mother tongue have multiplied until today the French fact referred to by the member for Stormont, the hon. Minister means that there are six million people—the French culture, heritage and language—who live in a single geographic entity. No matter what English Canada may think, or wish, those six million people are not going to go away. It is a fact of life of this nation, a basic characteristic of Canada, that there are two peoples of two languages, different heritages, and different cultures.

Here is the only point in which I disagree with the Prime Minister, with whom I have very sincere and deep admiration this day for having the courage to put this resolution on the order paper, and to call it, and invite its passage by this House.

He says it formalizes what has been the practice in the past; I do not think that it does any such thing. All Canadians who were alive to public events, watched the

Prime Minister of Ontario at his Confederation for tomorrow conference, and the posture that he adopted at the subsequent conference at Ottawa in February. He did not say to his fellow Premiers that this would be a formal act, and he undertook to them at that time that he would take steps to make Ontario more of a bilingual province.

Today, passing this resolution, it is more than formality, I say to my friend from Stormont, it is a qualitative change. We make a far-reaching change in the life of this Legislature and its customs. Because the Legislature expresses by its vote, that its will shall be, hereafter that both the languages shall have equal and official reception in these halls, it is more than a formality.

Two other things ought to be said; one is that the French-Canadian has a catch phrase, "Je me souviens". He has much to remember in his past. I referred to one of the things that he remembers, the Act of Union of 1841, and the member for Stormont referred to another which I will not repeat, which was part of the history of this province. There are many other indignities that have been heaped upon him and his language.

One thing is to be marked in the attitude of the French Canadian, he has always been immaculately tolerant of minorities himself. In passing this resolution, this House catches up to Quebec. French and English have always been guaranteed official status in the province of Quebec, and both languages have been used for many years in their Legislature. The statutes are printed side by side in French and English.

Mr. MacDonald: Therefore we do not catch up.

Mr. Sopha: But we take a step toward catching up. I do not want to stop to quibble with my friend from York South (Mr. MacDonald) who made a very fine contribution this afternoon, but we ought to have some reservation, some modesty about the act we take, that its parallel was passed many years ago in the province of Quebec, where the province has always been accommodating to the English language.

The other thing that ought to be said is that in the vein, the tenor, the quality of what Pierre Elliott Trudeau said across this country in the contest just finished, that French Canadians, if this country is to survive, must feel at home in all parts of Canada. They must feel that they and their language especially, are welcome in all parts of the country, and that French Canadians, when travelling from one end to the other of the country will encounter multitudes of people, and especially those in the government service who are able to receive what they have to say, and to make reply in their own language.

Illustrative of that, there is a delightful story told by J. J. Greene, when he was Minister of Agriculture, of the farmer who came from the province of Quebec to the Department of Agriculture offices in Ottawa, and spent all of one day trying to get in to see the Minister. Finally, just before 5.00 o'clock, he got into Mr. Greene's office, and told Mr. Greene: "It is the first time that I have been to Ottawa, the capital city, and everyone I encountered spoke English, and I could not find anyone in the government offices who spoke French. Why is it, Mr. Greene, that I have to wait until the end of the day, in the office of the Minister, to encounter the first person who is able to converse with me in my own language? Is it truly the capital of my country where I come and wish to come and speak one of the official languages and find difficulty in speaking to someone? I think that I will go home and stay there, in Quebec, rather than to visit what, to me, seems to be a foreign country".

Well, that is the message that Mr. Trudeau conveyed in one part of this country to the other, and that is the message of the B and B commission. Notwithstanding the member for Carleton's inability to understand it, so he said. Surely he understood that part of the report that expressed the opinion of the commissioners that we face a crisis, unless our French-Canadian compatriots on the one hand are not discriminated against because of language and lack of equal opportunities, and on the other can converse freely and easily in every part of the country.

So here in Ontario in passing this resolution, we are cognizant of the reality of the past. We are catching up to the present, and as the Prime Minister said this afternoon, very hopefully, it gives one cause for great encouragement when he said that so many of the young people come out of the universities naturally speaking French. This is really worthy of enthusiasm.

Finally, I say to the Prime Minister through you, Mr. Speaker, most sincerely that I stand in admiration of him. My admiration is very great, to see the posture that he adopted for Canada at the Confederation of tomorrow conference, which he repeated when he represented this province at the federal conference, words of moderation and reason, which he spoke. Really he did us in Ontario proud with that stance that he took. It gives the

opportunity to express to him, as I stand in this House, the gratitude to him for the courageous act, having come from that last conference in putting this resolution to this House.

It must have troubled him, and I noted part of that trouble when he participated in the Throne debate, when he went out of his way to refer to the words he had used at the Confederation conference, to allay the fears of many in Ontario who either do not, or are unwilling, to understand. And really, by putting this resolution, coupled with all the other things that he is doing to encourage the use of the French language in the province, through these things, we have a chance of creating the climate of understanding between English and French in this country which will lead us on to even greater feats than the Canadian people have accomplished in the past.

As I sit down, I am reminded—and I say to my friends from Carleton, Dufferin-Simcoe and Port Arthur—of those words of Hugh MacLennan that I put on the record a number of years ago:

> We Canadians can forget the bad things of the past. If we can only forget those memories of friction and strife; put them aside for all time; look to the future; the brightness of promise that it offers to our people in a climate of amity, understanding, communion between the two great language groups that make up the fabric of this great country

Mr. E. W. Martel (Sudbury East): M. Président, j'aimerais féliciter le Premier Ministre pour la présentation de cette résolution. En même temps, je voudrais féliciter les trois chefs et leurs partis se joignant ensemble pour une meilleure acceptation de la théorie de deux langues officielles au Canada.

Avec le movement ecuménique qui nous fait mieux comprendre les groupes religieux, je crois que nous avons fait deux pas gigantesques en enlevant les deux sources principales de discordes qui ont fait de grands ravages parmi l'humanité pour des siècles.

Let me begin my comments by complimenting the Prime Minister on presenting this resolution. I also want to commend the three leaders and their parties for the manner in which all have joined together to bring about a fuller acceptance of the two official languages for Canada envisaged by the founding fathers of Confederation, along with the ecumenical movement which has fostered a better understanding among religious groups.

I believe we have made two gigantic steps to remove two of the main items of friction which have plagued mankind for centuries. Now that we have accepted French officially, it remains for us to give it more than lip service.

We in the Legislature must serve as the example for the rest of Ontario to follow. I am not suggesting that everyone here must become fluent or even knowledgeable, for this is not possible for some in this Legislature, either for those of the founding nations or from our fellow Ontarians who come from the other linguistic groups in this province.

Tolerance by all must be the watchword if we hope to fulfill the hopes of our forefathers in respect to two official languages. Yet we must guard to ensure that the other linguistic groups not only maintain, but also feel they, too, are considered first class citizens in Ontario and in Canada.

From the manner in which this Legislature conducts itself, so too will the province conduct itself.

In northern Ontario where many of the citizens are already bilingual—and many others understand to some degree either French or English, even if they do not speak these languages—the example of tolerance that I have mentioned is indeed in evidence. If this example is to spread throughout the province, then Ontario, I suggest, can serve as a vital link between Quebec and the provinces to the west, and as the leader towards unity for all provinces.

We in this Legislature, therefore, have a vital role to play in this plan. The plans to continue the French courses being offered are welcomed by all. Indeed, they are not only helpful, but at the same time many of us have found a welcomed and relaxing break from the busy days in the life of a parliamentarian.

I believe that two further steps are necessary if our goal is to be attained. Some secretarial staff, as mentioned by the leader of the official Opposition, to assist those who have constituents in northern Ontario particularly, or from the area at Windsor, who correspond in French and French only. I think it is vital that we reply to them in the same language that they correspond to us.

Secondly, we must have installed in the Legislature the mechanism for instant translation. I do not know how many of you have ever gone to a church where the sermon is preached in both languages, but it becomes very frustrating for someone who understands

both. On the other hand, it becomes frustrating for groups who only understand one.

So you do not satisfy anyone who has to hear a translation, or they understand and listen to the same sermon twice. I think it defeats the very thing that we are attempting to do here; to foster a willingness by the members to speak in the language of their choice. Without this, I think we are going to defeat the goals that we have set out for ourselves.

I do not want to take any more time of the House except to say that again I wish to congratulate the Premier on introducing this resolution, and ask him to take into consideration the two suggestions that have already been put forward before I spoke, and to ask the members to be the leaders in making this a reality by showing the tolerance that is necessary to make it possible.

Mr. A. B. R. Lawrence (Carleton East): Now, Mr. Speaker, the ridings of Carleton and Carleton East are separated by the Rideau River, and although the member for Carletons is, and I hope always will be, a close and long time friend of mine, our approaches to this resolution are separated by more than a river.

I may say, sir, that it was five years ago that I first rose in this House to speak French at a time when it was highly uncertain as to the legality of doing so. The uncertainty was equalled by my ability to handle French. This evening, the right to speak in French and use French in this Legislature will be settled, but I may say with regret that my ability to handle French remains uncertain.

Mr. Speaker:

Je desire maintenant m'addresser directement à la résolution proposée par le Premier Ministre. J'appuie fortement cette résolution et je suis convainçu que la grande majorité des gens de Carleton-Est l'appuie également.

La résolution marque une nouvelle étape dans la reconnaissance du fait français dans la province et dans les améliorations des services que la province doit y apporter.

La résolution consacre l'usage du français dans notre Legislature. On pourrait peut-être songer à d'autres moyens plus pratiques pour reconnaître cette dualité canadienne. Mais pour moi, cette résolution embrasse tout ce qui à de plus symbolique et fait preuve d'une nouvelle attitude, d'une nouvelle politique, d'un nouveau départ dans notre province.

I wish now, Mr. Speaker, to continue to address myself to the resolution which has been presented by the Prime Minister and to state that I support it, and that I believe that the overwhelming majority of the people of Carleton East support it.

It is one more step in Ontario's programme of improved service to and increased recognition of Franco-Ontarians. It establishes the right to use the French language in this Legislature. As such, it is of much less practical significance than a number of steps which the government has taken and will be taking in this whole field.

But, to me, sir, as I have mentioned in French, it has great symbolic significance as evidence of an attitude, a state of mind and of developing policy in this province.

Mr. Speaker, the riding which I have the honour to represent is approximately 50 per cent French-speaking and approximately 100 per cent English-speaking. About one-half of the population is of French racial origin and virtually all of these people are bilingual.

The other half of the population is what General de Gaulle calls Anglo-Saxon, namely a typical Canadian mix of German, Scotch, Irish, Polish Scandinavian, Jewish, Italian and English.

It is such a riding Carleton East, and its predecessor, Russell, which from 1879 until my election in 1963, for a period of 84 years, invariably chose a Franco-Ontarian to represent it in this Legislature.

Part of the reason for this break with the tradition of generations lies in the fact that the proportion of Franco-Ontarians in the population of the riding is now somewhat lower than in the past. Part of the reason is to be found in the bond of confidence which George Drew and successive Ontario Premiers have forged between the Progressive Conservative Party and the French-speaking people of eastern Ontario over the past two decades.

But, part of the reason is also that the Franco-Ontarians of my area are not committed to voting as a bloc on racial or linguistic lines.

In both the 1963 and 1967 elections the names of Franco-Ontarian candidates were on the ballot with my own.

Mr. Speaker, having described a riding where almost all of the people can speak English, and a riding where the people have for a number of years demonstrated their general confidence in the policies of this government, it might be asked why, on either practical or purely political grounds, I would wish to speak in support of the resolution which is now before the House.

Dealing first with the practical aspects of bilingualism in an area such as my own, I would point out that reasonable fluency in English still leaves several important problems for Franco-Ontarians.

The first of these has been the problem which has faced French-speaking children upon their entry into our secondary school system, and the devastating effect upon such students of having to assume the double burden of an increased scholastic work load at the same time as they were required to shift into instruction in English by English-speaking teachers using English texts.

The dropout rate of French-Canadian children at the secondary school level has been not only a measure of personal and family pain, but also the measure of wasted ambition and talent in a society, in a province, indeed in a world which cannot afford such waste.

The Prime Minister, last summer, announced the government's intention to move to cure this deficiency, so that bilingual educational opportunity will become available at all three levels of education in Ontario—not only at the elementary and university levels, but now also at the secondary school level.

The result will be the creation of a complete educational system available to those who wish to undertake and complete their schooling in French.

A second and much more limited problem relates to the administration of justice. Here, I refer to those circumstances or occasions, although rare, in which failure to have an adequate or precise understanding of English may lead to a Franco-Ontarian receiving less than justice, due to misinterpretation of language.

How serious a problem this is no one can measure, but, in a society as conscious of civil rights and civil liberaties as the one in which we live today, we are bound to take all reasonable steps to eradicate risks of injustice.

Finally, there is the problem which even a Franco-Ontarian, relatively fluent in English, has when faced with understanding and working with the vast flow of laws, regulations, directives, rulings, orders and statements which emanate in increasing volume from the Legislature, the government, the civil service and scores of boards, tribunals, commissions and authorities.

Mr. Speaker, these are examples of some of the practical problems which may be faced by a large portion of the people of my riding. These are some of the problems which the government of Ontario has moved, or is moving, to overcome or ameliorate. They relate to nothing more than the practical discharge of a democratic government's responsibility to give reasonable service to the people, reasonably requesting it.

Je dois soulinger, M. le Président, que le principle du bilinguisme ne se résume pas a des services de traduction ou a la création d'un corps de fonctionnaires bilingues.

Il ya a aussi cet ésprit que j'appele "considération". Dans un sens, cette considération n'est ni plus ni moins qu'un respect des valeurs humaines qui permet aux francophones et aux anglophones de vivre et de travailler ensemble dans l'amitie et dans la solidarite.

Dans un autre sens, cette considération implique un changement dramatique dans nos attitudes.

L'antagonisme et la passivite d'autrefois sur ce qui touche la survivance de la langue française en l'Ontario sont maintenant deplaces. Nous, les membres de la Legislature, représentant toute la population d'Ontario, decidons par l'adoption de cette résolution de devenir les collaborateurs de nos concitoyens de langue Française dans leur lutte pour souvegarder leur langue maternelle dans notre province.

La langue est le réflect d'une âme. Cette âme sera desormais implantée dans notre système politique. L'initiative du Premier Ministre est des plus heureuses; elle fait preuve de courage politique et signale un nouvel avenir pour tous les gens de la province.

Je dirai plus: Elle represente une nouvelle alliance que le gouvernement desire consacrée avec cette belle et grande minorité Canadienne.

However, sir, there is more to bilingualism than translation services and the development of a corps of bilingual civil servants. There is also a thing called "recognition."

In one way recognition is little more than an exercise in good manners—the good manners one to another which allow the English-speaking and French-speaking to live and work together in harmony in Carleton East, village by village, street by street and house by house.

In another way, recognition implies a most fundamental shifting of attitude. It implies that instead of being antagonistic to or passive about the maintenance and protection of the French language in Ontario, we in this Legislature, representing the people of this prov-

ince as a whole have decided that we are to be active allies and partners of our French-Canadian citizens in their struggle to maintain and protect their mother tongue in this province.

Mr. Speaker, the motion before us is as simple as it is symbolic. It plants the French language at the seat of political power in our province. The Prime Minister's action is one of political courage as distinct from political expediency.

It includes the acceptance by this government of a particular and quite specific view of the place, of the status, of the role, not only of Franco-Ontarians in Ontario, but of French-Canadians in Canada.

Mr. J. R. Breithaupt (Kitchener): Mr. Speaker, I rise to enter this debate and add my comments as one of the third group in the province who are neither of French or of English background.

Many of the members of this House are also members of this third group, and they and their predecessors in this Legislature have attempted to serve the province of Ontario as a whole, and not as two or more parts.

We have, of course, joined in with either the English or the French-speaking portions of the province. However, many have kept their own language and customs to a degree so that they can be used to build a stronger nation and not to be in any way divisive.

The walls of our strong civilization in Canada have been generally built with stones marked either French or English, but very often in our community the mortar that holds this wall together comes from the many others who have chosen to come to Canada.

Many came after the American revolution; others due to famine or persecution or revolution in Europe in the 1840's; others since 1945. They came to build the railways and the canals more than 100 years ago; they stayed to add to the mosaic that is Canada. Their children and grandchildren and great-grandchildren are now proudly citizens of Ontario and proudly citizens of Canada.

Monsieur le Président, je donne mon support à cette résolution. J'espère que tous les membres de cette chambre donneront leur support aussi.

Chaque chef du parti ici a présenté la décision propre. Le progrès de notre province est assuré. Chacun de nous représente un compté différent de cette province.

C'est important adjourd'hui de faire les propres décisions et d'assister au développement d'une société juste.

I do hope that all the hon. members of this House will support this resolution. Those of us who are members of the third group in this province are proud to welcome to this chamber the ability of those of French-speaking background to add their voices to the deliberations here in their own tongue. Let this be the first step of recognizing formally the rights of Canadians of French origin within our province. We are stronger as a province and as a nation if we do so.

Mr. G. Bukator (Niagara Falls): Mr. Speaker, I would like to make a few comments in connection with this resolution. I would like to touch on the historic value of one gentleman who made quite a contribution. Count Joseph de Puisaye was a wealthy Frenchman who happened to take the wrong side during the French revolution. He was a Loyalist who raised an army in defence of the king and his indiscretion left him fleeing the guillotine and wading into the English channel before he was picked up and taken to England for refuge.

He came to Canada in 1798 and attempted to found a French Loyalist settlement on Yonge Street just north of the city. Within a year he travelled to Niagara and, approving of the beautiful area, built a house that still stands today. During the war of 1812, after he had gone back to England, it was used as a hospital for Canadian troops. The house, of course, changed owners many times and in 1965, when it was owned by John Boese, it very nearly got burned down on a training exercise of the Queenston fire department.

The Niagara historical society raised up in high indignation, persuaded the parks commission to take it and Mr. Boese gave it over freely, anxious to put up a new building on his land. A letter to the Niagara parks commission by way of the Toronto *Daily Star* in the "help wanted" column on July 18:

> The Niagara parks commission has lost one of the most exciting historical sites in Canada—the 169-year-old French-style home of Count Joseph de Puisaye at Niagara-on-the-Lake. This house was the last reminder of a Niagara colony founded by this famous French general and, only three years ago, was saved from destruction and given freely to the parks commission so that it could be preserved as a public historical site.
>
> The commission has now sold it privately for $4,234.33 without telling anyone. How can they do this, when the people of the

area and the local historical board worked so hard to save the house, and then trusted the commission to look after it? Can you do anything to help recover this house for its intended purpose?

Mr. Speaker, the reason that I drew this to your attention this day is I found no other place I could make these comments. If we, or the government, and we members of Parliament are sincere in what we have said here this afternoon, there is an opportunity to preserve a home that was owned by a great French general in Niagara-on-the-Lake.

A small investment of some $4,200 was made and in that particular area they moved that house, Mr. Speaker, through you to the Prime Minister, they moved that house next to the McFarland home. I have found on occasion that commissions of the government, not being in direct contact—

Mr. Speaker: Might I point out to the member that the debate is on a resolution for the use of French in this House. I have given him considerable latitude and if he would care to come back to the subject of the resolution and debate, the floor is his. Otherwise, I must ask him to resume his seat.

Mr. Bukator: We are back to normal again, Mr. Speaker. You and I have had this little debate before, but I am coming directly—

Mr. Speaker: The member will have no debate if he abides by the rules of the House, no debate with Mr. Speaker.

Mr. Bukator: The fact I am trying to draw to the attention of the Prime Minister is if we have any respect for the French-Canadian in this province, as we are indicating here this day, we would restore this home to the purpose for which it was given to the parks commission. The French are entitled to this historic spot, and I draw this to the attention of this House and to the Prime Minister, hoping that they will repurchase this place and redevelop it for the good that we are trying to do through this excellent resolution. I concur with the Prime Minister in this resolution. I do believe it is proper, but I think we ought to put some material things where our words are.

Mr. Speaker: Is there any other member who wishes to speak to the resolution before it is put to the House?

If not, then the resolution moved by the Prime Minister, seconded by the leader of the official Opposition, is as set out in notice of motion on the order paper.

Resolution concurred in unanimously.

Clerk of the House: The first order, resuming the adjourned debate on the amendment to the motion that Mr. Speaker do now leave the chair and that the House resolve itself into the committee on ways and means.

BUDGET DEBATE

(Continued)

Mr. A. Carruthers (Durham): Mr. Speaker, I welcome this opportunity to participate in the Budget debate and assure you, sir, that my remarks will be as brief as possible. I trust that the speakers who follow me will act in the same manner.

The Budget which has been considered during this session of the Legislature contains some very sobering facts and provides a preview of the significant changes which lie ahead of us in this Ontario of tomorrow. The Budget is a yardstick by which the government can estimate what it can do and how quickly it can be done. This yardstick must, on the one hand, measure the needs of our people and the province, and on the other hand measure the ability of the economy to meet those needs.

The responsible position of the government in choosing a yardstick that is in keeping with the productive capacity of the province is in sharp contrast to those policies enunciated by other groups. Theirs is an adjustable yardstick which is extended to great lengths to cover large unproductive socialist programmes involving large expenditures of the taxpayers' money, and then shortened to apply the tax burden to those sectors of the economy which have the initiative and the creative ability to produce.

I congratulate the government on its basic tax exemption programme. It is doing much to assist, particularly, the family farm and the small homeowner. Although the programme does relieve the farmer's tax burden to an extent, the answer to the problem of agriculture lies to a major degree at the federal level. Establishment of national farm marketing legislation, better control of imported agricultural products and the extension of export markets for farm produce, are the responsibility of the federal government. And I urge the Minister of Agriculture and Food (Mr. Stewart), for the province to continue his efforts on behalf of the Ontario farmers by urging the federal authorities to set up national marketing legislation.

Ontario has a large number of excellent

marketing plans, but because of inter-provincial trade and the significance and potential protection offered by these plans—crop insurance, capital grants, and so on—to the farmer is to a great extent nullified in the final analysis.

The problem lies in Ottawa.

The present Budget forecasts a total net general expenditure for 1968-1969 of $2.78 billion, an increase of some $489 million over the current year.

It is truly an investment Budget. An investment in the people and their ecenomy and in governmental institutions. The increase in the current Budget is concentrated in four areas of priority, namely, education, health, housing and local aid to municipalities. It is an investment in which the county of Durham is sharing to a major degree in expanded roads, schools, parks, social services.

During this fiscal year almost 60 per cent of our province's revenue will be spent in the fields of education, health and welfare, and for that reason, Mr. Speaker, I intend to confine my remarks today to these three areas.

The government's record of achievement in each of these three areas is excellent. At the same time, we must avoid complacency and we must constantly strive to improve standards while imposing the lightest possible burden on the taxpayer. In this connection, I would like to mention two general principles which I feel must be more closely followed in the future. These are, first, the need to help only those who are unable to help themselves and, secondly, the importance of decentralizing as far as possible, many of the functions which are now carried out at Queen's Park.

I would like to consider how we might apply these principles by turning now to the fields of education and health and welfare which I mentioned earlier. This session has witnessed great progress, indeed, in the field of education. The citizens of Durham county have co-operated fully and with understanding in the consolidation of our public schools on a united county basis, and on a zone basis for the separate school system.

The citizens of the united counties of Durham and Northumberland have a particular interest in the development of our educational system on a sound basis, because of the heritage of educational traditions they have inherited from the past. The founder of our public school system, Dr. Egerton Ryerson, was a citizen of the united counties. As president of Victoria College in Cobourg, he rapidly rose to distinction as one of Canada's great educationists. It was under his guidance that facilities were first created for training teachers. This overcame one of the greatest obstacles in universal education—the shortage of teachers.

The literary works of Catharine Parr Trail, Susannah Moodie, Archibald Lampman, Rhoda Ann Page and Joseph Scriven, the world-renowned hymn writer, all former citizens of the united counties, have contributed a wealth of literary knowledge to the world. Present day education is indebted also to other famous citizens of Durham and Northumberland counties.

The Right Honourable Vincent Massey, Canada's first native-born Governor-General; Watson Kirkconnell, outstanding Canadian teacher and president of Acadia University in Nova Scotia; Professor Charles Currelly, professor of archaeology, to whom the Royal Ontario Museum owes, in no small degree, its present status as one of the continent's great museums; Edwin Guillet, author of 20 volumes of Canadian history, including *The Valley of the Trent.*

Mr. Guillet's talents were recognized in his appointment as histriographer of the province of Ontario in 1934, and last, but certainly not least, Mr. Peter McGillen, retired outdoors editor of the Toronto *Telegram,* and now a retired citizen of that area.

With this heritage of educational achievements, the citizens of Durham and Northumberland go forward with confidence into a new era of education under a united county board. The introduction of French language training within our school system presents a new concept of education to the citizens of my riding, and in supporting the programme, may I suggest that in the days ahead, its significance and purpose be clearly defined in order to dispel the misconceptions and misunderstanding created in the minds of many of our citizens. This is of particular concern to me as representative of a people whose ancestors were, to a major degree, of United Empire Loyalist and northern Irish stock.

I must congratulate the Prime Minister (Mr. Robarts) on the recognition of Franco-Ontarian rights. We have had a very interesting and long debate with respect to the resolution presented by the Prime Minister. I think a great deal of understanding has been the result. It is a difficult problem, and one that will last for many years to come. I think that we must look back through history as the hon. member for Sudbury (Mr. Sopha) has done, in referring to Lord Durham's report. Certainly the situation that has existed in Canada over

the centuries has been a product, to a great extent, of fate and history.

Indeed, to a major degree, it lies in the characteristics of the two people; on the other hand an Anglo-Saxon seagoing race, and a colonizing race because the sea made them so. On the other hand, our French friends were a continental people, and, to a large extent, have remained so to this day.

The resolution, and I trust that I am in order in referring to it at this time, does recognize for Franco-Ontarians, the same right that we as Anglo-Saxons have in the province of Quebec, the right to educate our children in the language of our choice.

One wonders what may have happened if history and fate had not taken a hand. As we look back over the centuries we see the development of the present situation from the days of Champlain.

Had Champlain not been forced to associate himself with the Huron and Algonquin Indians in the fur trade, because it was on the fur trade that the colony existed, had he not been forced to ally himself with those two tribes, history would have recorded a different story. The English colonies along the Atlantic seaboard had allied themselves with the war-like Iroquois, who played a very important role in the battle of the Plains of Abraham in September of 1759.

Certainly one wonders what would have happened if La Salle had accomplished his aim of building a chain of forts from Quebec down to the Gulf of Mexico, hemming in the English colonies along the Atlantic seaboard. That fateful day on which he was murdered by one of his own men, may have changed the course of history.

The Louisiana purchase also had a great effect on the situation that developed on the North American continent, as far as English- and French-speaking citizens are concerned. The great French state in the southern part of this country was transferred over to an English-speaking American power.

The Quebec Act, in extending the boundaries of Quebec to the Ohio and the Mississippi Rivers, I believe, had more to do with the American revolution than The Stamp Act or the taxes placed on tea by King George III. By extending those boundaries, the ire of the English colonies was aroused and it was one of the major reasons, I believe, for the American revolution which resulted in thousands of English-speaking people flocking into this province and creating in Ontario an English-speaking area on the North American continent.

Indeed, the situation might have changed drastically had it not been for the course of history. I think the member for Sudbury referred to the battle on the Plains of Abraham in 1759, a ten-minute battle which decided in his words, "the fate of this continent."

Actually, it did not decide the fate of this continent. The battle on that September day was not the decisive factor. The French were besieged in the citadel of Quebec, but two fleets the next spring were on their way to Canada, one a French fleet and one an English fleet. It just so happened that fate chose that the English fleet arrived first and raised the siege of Quebec. Had the French fleet arrived first, this province and this country might today be a French nation.

Certainly, following the conquest of Canada, Quebec isolated itself within the boundaries of what is now the province of Quebec, and this isolation had a great deal to do with the situation today.

It is difficult, Mr. Speaker, to change 200 years of history by a simple resolution. It is difficult for us as Anglo-Saxons to understand the French point of view, and yet, as we look at the situation in the province of Quebec itself, we see that the use of French as a language is declining among the French ethnic group themselves.

We may pass resolutions, we may make every effort to introduce French into our schools, but in a sea of over 200 million English-speaking people it is very difficult to keep that tide of language back. This is the task that we face, and I certainly trust that the Prime Minister's efforts in this respect will be rewarded.

So as Anglo-Saxons we have been the beneficiaries of fate.

We must never forget too, that language is simply a tool of communication, and as such we are going to use the most practical tool at hand. In a world which is becoming an English-speaking business world, it is going to be very difficult in the days ahead to create a bilingual nation on this northern half of the American continent.

Language is not something that is permanent. Language is dying and being born every day, and one of the factors that complicates the situation is the fact that most of the technological terms of the day, most of the business terms, the new terms, are in English, and must be translated into French, in the majority of instances there is no word in French for them.

These are the factors that are going to

have a great bearing upon whether this country can be made bilingual or not. Certainly by this resolution we recognize the fact that Franco-Ontarians have the same rights and the same privileges that our English-speaking friends in Quebec now have.

The recent report of the committee on the aims and objectives of education headed by Mr. Justice Hall presents a new and challenging vision of education in Ontario. It is true to say that the main thrust of this unconventional document is faith in the curiosity and initiative of the child. These powers exposed to a sensitive school environment will, and should, produce achievement. But in the making of school years "a pleasant learning experience" it must also develop a sense of responsibility on the part of the future citizens of this province and of this country. A sense of responsibility that to a significant degree appears to be lacking in modern society.

Nowhere is this more apparent than in the present unrest in our universities. There is much in the Hall report that merits commendation. At the same time, I feel that the report is in many respects utopian, and under present conditions could be very costly to implement fully.

Plutarch in his *"Lives"* presents the argument as to whether the ship in which Theseus sailed home from Crete was the same ship as that in which they set out, for they took away the old planks that had decayed, putting in new and stronger timber in their place.

Replacing old planks with new in our educational system is an important task, and care must be taken that the new planks are strong and that those timbers that have stood the test of time are allowed to remain in place.

Two of those tested planks, may I suggest, are engrained with a stout moral fibre and a love of country. There appears to be a strong tendency today to replace both these planks with more flexible material which may, under strain, give way to a flood of irresponsibility which could in years ahead drastically weaken our ship of state.

Let us make sure that in replacing new timber for old we chart the course of our destiny in the field of education, without being forced by reactionary forces to return to the point from which we set out.

There is perhaps a lesson for us in this young province from the experience in other jurisdictions. May I quote briefly from two articles which have appeared recently in the *Christian Science Monitor*. The first article is entitled "Trends" and refers to the educational problems in Dade county, Florida.

> Until now, 225,000 youngsters in 214 schools in Dade county have been protected from the teacher's paddle by school board policy which limited corporal punishment to last resort status.
>
> But after a year's study by a joint committee on discipline, during which five teachers were either shot or stabbed by pupils, the Dade school board had adopted a new policy giving teachers stronger authority in the classroom.
>
> Because during school hours teachers or principal takes the place of the parent, he now is authorized to give orders and enforce them. This includes the use of force generally applied to the body of the offender.
>
> Under previous policy teachers, technically, could not even take an unruly child by the arm and force him back into line. Along with the corporal punishment policy is a new one. It gives the superintendent power to expel any pupil found carrying a deadly weapon. Dade officials say that in an average year a typical assistant principal could be expected to find and confiscate up to 100 pistols, knives, brass knuckles and the like.

The second article is entitled:

> THREE RS—PEOPLE TAKE CALIFORNIA REINS
>
> Progressive education may be riding into an ambush in California, and, if it is, the nation's largest school population, 5 million strong, will be caught in the crossfire.
>
> A liberal, socially-oriented educational philosophy was top gun in the state until 1963 when Max Rafferty was elected superintendent of public education. Dr. Rafferty demanded, as the incoming superintendent, that Californian schools return to teaching the three Rs. He changed the official philosophy of his department from progressive education to education in depth.
>
> Dr. Rafferty, with a phonics reading programme in one hand and a patriotic song book in the other, has the means necessary to blast the progressive culprits, as he called them, from the territory and here is his plan:
>
> 1. Give major control of the schools back to the local school districts;
>
> 2. Revise sharply the state tenure law

for teachers, giving local boards more authority to dismiss their employees;

3. Take away the power of the state curriculum commission to recommend textbooks for state use;

4. Take away the right to appoint the commission from the board, and place it in the hands of the superintendent;

5. Require all new teachers to take competency tests in the fundamentals as a requisite to granting credentials;

6. Urge elementary schools to adopt the phonics approach to reading.

Whether Dr. Rafferty will succeed in turning the clock back is a question, but these articles do indicate that there is a reaction setting in with respect to progressive education as we know it today.

There is a lesson in it for us, this must not happen, but in charting the educational course of this province, let us keep these facts in mind and from the base so firmly established by Egerton Ryerson let us go forward with a sense of purpose, responsibility and direction towards that ultimate goal of democratic education visioned by Mr. Hall and his associates.

Indeed, Mr. Speaker, there are visible signs that we are on course. The increased participation of large numbers of our young people in cultural and community activities is tangible evidence of this fact.

This is due in no small part to the new concept of education. It is very apparent in my own area of the province, and again may I refer to the heritage our citizens have reaped from the past—the rolling hills, the scenic lakes and streams and quiet countryside of the united counties of Northumberland and Durham have inspired in the past and are continuing to inspire the creative minds of our young people. Many of Canada's outstanding leaders in the field of art and the theatre have claimed the united counties as their home.

May I name but a few? Charles Fothergill, an early settler in Port Hope, was a keen observer of nature in his paintings, many of which hang in the Royal Ontario museum. Gerald Hayward, who is buried in St. George's cemetery at Gore's Landing, became renowned all over Europe for his remarkable miniature paintings. His brother, Alfred Hayward, became equally famous for his paintings of flowers and landscapes. Paul Kane, renowned for his Indian paintings, was also a citizen of the area prior to moving to western Canada.

The cultural foundation established by these former citizens is being carried on today and is evident in the numerous art clubs in our schools and in our communities and, fostered by the new educational incentives, the community has many artists in its midst who have the potential for fame in the years ahead. Indeed, the art studio of Mrs. Dora Holdaway at Bewdley on Rice Lake has become one of the outstanding tourist attractions of the area.

Science fairs in Port Hope have attracted large crowds and have demonstrated the creative ability of today's students.

The impact of the new concept of education is also showing tangible results locally in the world of the theatre through the formation of a number of theatrical groups.

On August 9, the Great Pine Ridge festival of arts opens in the progressive village of Newcastle. During the period August 9 to August 30 there will be three outstanding productions.

The interesting feature of this festival is the fact that the participants, the actors and actresses, are all students drawn from the four corners of the Pine Ridge area of Northumberland and Durham. Young actors and designers will be coming to participate in the festival, working under the professional guidance of Miss Joan Bennett, Mr. Roy Higgins and Miss Joan Frith, students who have taken advantage of the new educational opportunities in the arts and are now developing their talents to the benefit of their communities.

Here again they are but carrying on the tradition of the past, following in the footsteps of many leading theatrical stars who began their careers in the united counties community. The community takes pride in the careers of Marie Dressler of "Tugboat Annie" fame, who was born and raised in Cobourg; Catherine Cornell, famous dramatic star; Beatrice Lilly of musical comedy fame who became known as the funniest woman in the world; and Ann Helm, native of Port Hope, whose Broadway successes led to leading movie roles and today she is a prominent TV star.

The report of the committee on the aims and objectives of education is an historic and monumental document. One cannot help but agree with the principles and ideals it projects for the future, but as a teacher of some 30 years' experience and as one who has seen many changes in the system, I may be pardoned if I may have, perhaps without justification, certain reservations.

I would like to suggest that we must question the universality of the recommendations of this report, relative to free university tuition, beginning with the first year in 1970. I think as a member of the Progressive Conservative Party I must take a stand against universality of this nature.

I believe that university education must be provided to all citizens of this province who can qualify and benefit from it, but the assistance which we as taxpayers provide to these students must be related to their individual needs. In other words, I object to asking the taxpayers of Ontario to provide free university tuition to the sons and daughters of parents who are quite capable of paying these expenses themselves. I urge the government to continue the present policy whereby assistance made to each student is related to his financial circumstances and to those of his parents.

I have certain reservations also with respect to abolishing academic competition in our schools through the removal of examinations.

I realize that, in theory, it is an ideal, but in practice it tends to remove the challenge and to place students on a common level with, again, a universality of standards. If examinations can logically be replaced with other challenges which will have the effect of preparing the student for life, all to the good, but I fail to see how our young people will be prepared in this manner for the shock they will receive on leaving school and entering our highly competitive world to work and earn their living.

For centuries, sports have been emphasized in all educational systems throughout the world. Part of our heritage which must now presumably be discarded is that of play up, play up, and play the game. If competition is to be eliminated from the curriculum should we not also abolish competitive sports?

I was disappointed to note that this report, although very forward-looking in many aspects, was extremely conventional on the question of our separate schools. As far as I can see, the report fails to provide an up-to-date concept of the role which religion should or should not play in the school curriculum.

I would think that a modern concept would at last visualize perhaps the removal of formal religious teaching from the curriculum, but the inclusion of a programme emphasizing the basic virtues upon which all religions are based, and which form the core of a truly democratic and responsible society.

It is the lack of this influence in our educational system which is causing concern to some religious groups. Perhaps we have much to heed in the policies followed by our Roman Catholic, Christian Alliance, Jewish Community, Seventh Day Adventist group.

In the field of health expenditures, Mr. Speaker, the big question mark as we look to the future concerns medicare. According to the *Financial Post* of June 29 of this year, several provinces are now re-examining their position to joining the federal plan. The reason, apart from the results of the recent federal election, according to the *Financial Post,* is British Columbia's method of entry into the plan which has successfully avoided compulsion and established that that province can raise a good part of its costs under the plan through premiums.

If the example of British Columbia is followed by other provinces, we can expect increasing pressure on this province to join the federal scheme.

Our Health Minister (Mr. Dymond) was correct in asserting recently in this House that Ontario would, in effect, be subsidizing other provinces if it joined the plan. It would also increase Ottawa's contribution to all provinces, with the poor provinces as the major beneficiaries.

Ottawa, of course, has to find the money for its share of medicare costs from general revenues, most probably higher taxes. We in the provinces, however, have greater leeway to finance our share as is made clear in the British Columbia anouncement that premiums would be charged to all medicare subscribers. The government would subsidize the premiums of low-income citizens.

I think we should bear in mind the action which was recently forced upon the government of Saskatchewan, and which was discussed by the Premier of that province before the Kiwanis International here in Toronto on July 1.

Mr. Thatcher said that Saskatchewan was the only administration in North America with a complete programme of free hospitalization and medical care, but the escalating costs year by year have been frightening, and I quote from the *Globe and Mail* of July 2 as follows:

> No administration should adopt a completely free plan because it leads to abuses. As an example, one woman had visited nine different doctors in one day and the province had to pay.
>
> About 10 per cent of persons in hospital were there unnecessarily, he said.

I might also add that the experience of the Labour government in Britain has been similar to the Liberal government in Saskatchewan, and Mr. Harold Wilson has also been forced to reintroduce deterrent fees which he had abolished on coming into power only a few years ago.

Once again, Mr. Speaker, the government is to be commended for the emphasis it has continued to place on the requirements of The Department of Social and Family Services. This year the estimates include the sum of approximately $230 million, the highest in the history of the department. Since the fiscal year ending March, 1967, the expenditures of the department in the field of social betterment have risen by nearly 50 per cent.

I know that the energetic Minister (Mr. Yaremko) in charge of this department is determined to study new proposals, and to initiate new programmes when it has been established that these are sound.

Mr. Speaker, I have additional material, but I think that I will take the cue and bring my address to a close. I realize that I have taken considerable time, and I said at the beginning that perhaps the members would appreciate it if I had just tabled this.

On the other hand, I have listened for long hours throughout this session to long and tedious speeches, a great deal of repetition, and I think that I am entitled to a few minutes to say a few words—significant or not.

I am going to close with a quotation from a statesman of many years ago, a great humanitarian, John Bright, who said:

> I believe there is no permanent greatness to a nation unless it be based upon morality. I care not, [he said], for military greatness or military renown. I care for the condition of the people among whom I live.
>
> Great halls, baronial castles, stately mansions, [and we might, in today's world, add large corporations or international unions], do not make a nation.
>
> The nation in every country dwells in the cottage and unless the light of your constitution and the beauty of your legislation is reflected there on the lives and conditions of your people, rely upon it, you have yet to learn the duties of government.

Those words, uttered so many years ago, express, in my opinion, the policy of this government and a policy which, as a private member, I endeavour to follow. It is a policy reflected in the Budget, a Budget designed to meet the basic needs of our people, a Budget designed to provide an environment in which the individual can develop his talents to the utmost of his ability.

Mrs. M. Renwick (Scarborough Centre): Mr. Speaker, in the time allotted to me in the Budget debate, I rise to stress the urgent need for a Minister of Social and Family Services to review and update the pre-added budgets of The General Welfare Assistance Act, and The Family Benefits Act—the pre-added budgets upon which the basis of payments under these Acts are made.

I have isolated three specific points to deal with, and will speak for the need of two specific studies. I speak firstly for change under The General Welfare Assistance Act, section 9, of the regulations of the Act, where it is stated that:

> The welfare administrator, or the regional administrator, as the case may be, may determinate the recipient's budgetary requirements in accordance to sections 10 and 11, and amounts may be received up to a possible maximum of $300 a month, or $69.20 in any week by a recipient with three beneficiaries or less. However, for cases where there are more than three beneficiaries to consider, these maximums shall be increased by a further $10 in any month, or $2.30 a week as the case may be, for each dependent in excess of three.

Now, Mr. Speaker, the whole purpose of this exercise is to get some reality into the pre-added budgets and into the maximum amounts that are used to gauge the amounts for those who qualify for assistance under these two Acts. As it stands now under the present legislation, a head of a family and three dependents may qualify for the maximum assistance for food, shelter and necessities of $300 per month. Removing the $100 allowance for shelter for that size of family leaves $200 a month; and for each additional child or beneficiary, only $10 per month is added.

Now, we have a very elaborately constructed pre-added budget to follow as a guide. It is somewhat misleading inasmuch as for children over the number of six, there are allotted amounts per month according to years of age varying from $23 to $36 per child. But a ceiling is put on this by the regulation which allows a maximum of $300 per month, including shelter, and $10 per month for each additional beneficiary.

As it is, Mr. Speaker, it works out, for one parent and three children; and for two parents

and two children, that they may qualify for the $300 a month maximum. But if you take away the maximum of $100 for rent for that size family and leave them $200, the additional $10 per month works out at 33 cents a day, and 33 cents a day will not buy a quart of milk for that beneficiary, who is so often the child, Mr. Speaker.

The child will not develop properly on this sort of inadequate scheme. I draw to the attention of the Minister, Mr. Speaker, that much of the economizing put forth by this government in this year's estimates of The Department of Social and Family Services ended inevitably by robbing and harming the development of children.

Children are short-changed by this government's economics one way or another. We saw it early in the session when the government could not find $30,000, Mr. Speaker, to assist the Big Brother movement which, in turn, assists both the children and the mothers.

We saw it in the cut-back in the grant to the children's aid society in spite of the fact that Judge Harry Waisberg pointed out as recently as this February in his Timbrell enquiry, that the children in that particular case had a minimal number of visits from the agency. The judge pointed out this was due mainly to a shortage of staff and to inexperienced staff, because perhaps the salaries had not helped attract experienced staff. Before the case could be presented for enquiry, an experienced social worker had to be put into the case in order to sort out the facts.

The victims are children, Mr. Speaker, in the established basis of need that is applied to parents as a requirement to allow day-nursery services for children of mothers who work. I say, Mr. Speaker, that that service should not be judged on a basis of need for the parents; it should be based, rather, on a basis of needs for the children.

Once again we see that what is needed is a study, I believe a worthwhile study of what is happening. Under the auspices of the Minister of Social and Family Services (Mr. Yaremko), it should, hopefully, lead to the opening of a children's bureau in our province and might, in time assure us of less emotional disturbance amongst children; which Mr. Speaker, was the least heard debate in the assembly. Once again, we ended in short-changing the children.

Surely, Mr. Speaker, the Cabinet could be influenced by a study to show that funds and programming now, and adequate care and guidance for the disadvantaged children of our province could save inestimable problems of the future for the government and for the children.

As an example it was suggested, by Dr. Charron I believe, the Deputy Minister of Health, in a public address recently, that the Victorian Order of Nurses could spot emotional disturbance in children on their home visits. Day-nursery teachers, Mr. Speaker, could do the same. Doctors have stated that cases spotted by seven are often cured by 11 and 12 years of age, whereas left later than that, can result in being major misfits in our society, and then having to be assisted much more expensively in hospitals or correctional institutions. We need a study as to what is happening to disadvantaged children in our province. How many there are? Where we are going in this regard, and Mr. Speaker, we need it now.

I would like to draw attention to the fact that the province of Saskatchewan has proposed, in their brief on the status of women —and I am quoting from the Toronto *Daily Star*, May 1, 1968, Saskatchewan is willing to share with the federal government in the cost of setting up day-care centres for children of working mothers.

Under the proposed plan, a working mother with pre-school children would get a tax credit of $200 deducted from her income tax. She would get $80 deducted if she had school-age children.

Now this is just a lead up, Mr. Speaker, to the fact that the brief proposed that day-care centres be provided without charge, or with minimum charge, to working mothers. The need for such facilities in Saskatchewan will become acute as the province becomes urbanized.

The need in our province, Mr. Speaker, is acute. The children in our day nurseries should not be robbed; they should not be penalized, by being there according to the means of the parents' ability to pay, or their willingness to pay. Day nurseries in our province—which is really pre-school education, Mr. Speaker, which we will go into later—should be a right of the children of the province of Ontario.

Being six o'clock, Mr. Speaker, may I suggest adjournment of the debate?

It being 6.00 of the clock, p.m., the House took recess.

No. 162

ONTARIO

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OFFICIAL REPORT—DAILY EDITION

First Session of the Twenty-Eighth Legislature

Monday, July 22, 1968

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

The House resumed at 8 o'clock, p.m.

BUDGET DEBATE

(Continued)

Mrs. M. Renwick (Scarborough Centre): To continue, Mr. Speaker, on the time allotted to me under the Budget debate, I would ask the hon. Minister to seriously consider perusing, if he has not already done so, and adopting, the bare minimal budgets that have been prepared by the social planning council of Metropolitan Toronto. They have been updated now, Mr. Speaker, to 1967 and 1968 cost of living for the use of social and health agencies of Metropolitan Toronto, and as useful reference for government. I would like to point out, Mr. Speaker, that the social planning council budgets are not budgets that allow any frills. The basis of these charts are meticulously designed to remove any margin of doubt in this regard.

I quote from the publication's table 1 on costing for meals: Meals at home based on a family of three to five persons. The lowest amount I would like to draw to the attention of the Minister is for a one-to-three-year-old child and is $4.05 per week—it ranges according to the age of the child—four-to-six-years, $4.68 a week; seven-to-nine years, $5.49; ten-to-12-years, $6.40 per week.

A very carefully prepared budget of food requirements based to ensure adequate nutrition at a reasonably low cost based on the dietary standards for Canada, recommended by the Canadian council on nutrition May, 1963.

This scale of nutritional requirements is universally acceptable throughout the country. This guide from the social planning council is based in such a way so as not to allow error. The basis runs from six months to a year of age, up to 10 to 12 years for children, from $4.05 to $6.40 a week; or $17.40 a month to $27.50 a month—less than a dollar a day per month, Mr. Speaker, which makes our $10 additive per beneficiary inadequate.

Is this government going to limp along in the antiquated method of assistance that it uses at this time instead of streamlining the department, and taking leadership with the adoption of a guaranteed income? Surely it is not difficult, Mr. Speaker, to update and change the pre-added budgets according to the changes in cost of living, which need change every few months.

Take as an example in working out, more realistically, the modification of its base, the family which may receive a $300 maximum per month for four beneficiaries. An additive of $10 per month represents 5 per cent of this budget for food, clothing and personal needs, based on a family of four. That is the $300 a month maximum, less the $100 maximum for rent, leaves $200 a month for four beneficiaries; or $50 a month per person.

Now, to work from there on, under the budget which this government is using at the present time—the government decreased by 80 per cent the amount allotted to each added person in that family for food, clothing and necessities. In the social planning council budget, in contrast, it is stated that for the families larger than three or five persons on which that budget is based, there should be a decrease of 10 per cent, Mr. Speaker, not 80 per cent. And 10 per cent reduction in the case of the $50 per beneficiary would make an additional amount of $45 per month for each added child for food, clothing and necessities.

Still inadequate! But if that is inadequate, what is $10 per month, $2.30 a week, 33 cents a day, for a beneficiary? What happens to the child who is the beneficiary from this government of $10 a month for food, clothing and necessities? What happens when he needs a toothbrush or a pair of overshoes or a pair of pants or tickets to get to a school event?

I submit, Mr. Speaker, that the child just does not get there. These things, as he should have them and as he needs them, are simply not forthcoming under these budgets. And that is not good enough for the children of this province. It does not allow them the dignity that is essential to good mental health, to say nothing of nutrition for healthy bodies.

I have taken an actual budget of a family of three children: A school-age child of six, a pre-schooler of four and a pre-schooler

between one and three years of age, They are children of Mr. and Mrs. G. Hodgins, and I asked them for an actual budget, Mr. Speaker, of their costs per month. I would like to submit it and just contrast it for a moment with the same amount received under general welfare assistance and under The Family Benefits Act.

Food in this particular family of five, $150 a month—not an unreasonable amount, Mr. Speaker, for five persons in a family; medical bills, the portion that is not covered by OMSIP because there is an ill child in the family, $20; milk and bread, $9; drugs, because of the ill baby, $18; transportation, a modest amount which I presume covers churches and certainly very little else $5 a month; clothing, $12 a month—this particular person makes clothing; life insurance, $6; telephone, $6.71; Hydro $10; rent $100. A total of $336.71.

The allowance made for this family at the present time under The Family Benefits Act, because the father is a student, is $271.41.

The government is quite realistic, Mr. Speaker, when it comes to assessing costs such as Hydro. The Hydro allowance is $9.90 a month; the family in the budget I used allowed $10 a month. That is a good example. On any fixed-price service such as this the government comes out with a correct estimate. It cannot very well argue with the Hydro company. But budgets that are accurately based on the current costs of food and shelter are simply not forthcoming.

Under section 10, item 6 of The General Welfare Act there is a section on shelter. Section (a) provides an amount up to $43 a month for a single person and an amount up to $85 a month for the head of a family, in heated premises. Where there is more than one dependent in the household, the maximum amounts shall be increased by $5 per month for each added dependent in excess of one. So a man, wife and three children receive, under this particular section for shelter, $100 a month. Mr. Speaker, here are a few basic facts of life about shelter in Metropolitan Toronto. First, $43 a month for shelter for a single person is a totally unrealistic figure.

If any hon. member in the assembly is in any doubt, he need only check through the classified ad sections of the current newspapers. Any member concerned with these budgets will find that $14 to $15 per week is the going rate for a housekeeping room. Even if the recipient is lucky enough to find a $12 a week room, it still comes out at $50 a month.

Where does the added $7 come from over the $43 shelter allowance? The beneficiary receives $47 a month to live on above the $43 shelter allowance; so if the beneficiary tries to maintain some dignity of not living in inferior kind of accommodation, he pays for it by trying to exist, then, on the $47 a month, minus what he pays extra in rent. So he ends up with 30 days and $40 at $1.33 a day.

We are forcing these people to seek out agencies—Scott Mission and the like—to learn the hours of the best times to come and go for clothing, boots, overshoes and, hopefully, bedding. Then we profess amazement that such people have become con artists at the game, or derelicts in our society.

I say, Mr. Speaker, we have left no real alternative, where these budgets are concerned. Let us look at the shelter allowance for a couple, so often the aged—$85 to $90 a month. We have something between 4,000 to 5,000 applications for senior citizen housing in the city. That speaks for the problem itself. Senior citizen housing is the only kind of housing available at the price of $85, $90, and $95 a month. Somewhere, somehow, reality must be brought into this scene. Small one-bedroom flats over stores on Lawrence Avenue East, in the north of the riding of Scarborough Centre, was the last hold-out of low rents that I know of in that riding—$85 a month, something like 12 months ago. This was one of the examples I used, Mr. Speaker, in my maiden speech, that those rents are now $120 a month.

If you look, then, and ask, where does this family go—where can they go in our city at $85, $90, $95 a month?

Take a look at the next group, the small family that ends up with $85 plus $15—$100 a month. In my visit to the emergency housing shelters of the city, where staff are constantly in search of housing, of two reports that came in that day for family accommodation, both of them were for $150 a month. And that was all for one day, Mr. Speaker.

It is exactly the same tough problem in Metro Toronto for the head of a family with children to find accommodation, as it is for the single person and the elderly couple at these present rates. There is not a member of the assembly, Mr. Speaker, who can come up with accommodation in this city for a family of two parents and three children for $100 a month. I think any of the out-of-town members who have been looking for accommodation know that there are not

even bachelor suites left in the Metropolitan area of Toronto for $85 and $90 a month.

I urge the Minister to ask the government for a study relating to rental costs in our city because, except for the very few limited dividend buildings that were built years ago under the federal scheme, there are not any dwellings available at the rates used under the present family benefits or general welfare assistance allowances.

When we are looking to see the costs of accommodation in our city we should also be looking, Mr. Speaker, for the quality of the same and a study which the Minister of Social and Family Services (Mr. Yaremko) might instigate could certainly be well used by the Minister of Trade and Development (Mr. Randall) in his responsibilities of housing. The study is urgently needed at this time; and I know whereof I speak because in the riding of Scarbourough Centre there are 52 apartment buildings. A classic example of what happens to them is the one at 1360 Danforth Road that, at the beginning of the election in October, was considered a modern, new building—two bedroom suites rented for $140 a month.

Now, Mr. Speaker, this is not small business, this is big business. There are 180 suites in one block; they are now building 196 next door. The paint is peeling off the first building; the road—until it was repaired last week—to the parking lots and the parking lots were in very bad shape, they were broken right down to the dirt underneath the tarmac finish. One of the gimmicks of such apartment buildings is a swimming pool and, in this particular building, I am told it was so polluted last week it could not be used. The reason for the pollution—when I say take a look at the quality as well as the cost of rental accommodation in our city—is that when they pumped down to the last foot they had 10, 11 and 12-year-old boys pitching in to wash the sides of the swimming pool with the water that was, in fact, the dregs of the drainage. The pool had to be closed because of infection, but it mysteriously opened on Saturday and some of the tenants were waiting until this morning to know for sure that the water is safe.

Most of these buildings, Mr. Speaker, require 24-month post-dated cheques. The people in the buildings, as tenants, have no idea who owns the building and complaints under this system become irrelevant. These buildings, Mr. Speaker, went up approximately $40 rent last month; they increased $35, $37 a month and, of course, are excluded completely to welfare recipients. So if our housing is so poor for those who can afford to pay $170 per month for two-bedroom suites, how are we housing the people under general welfare assistance, or under The Family Benefits Act, at $100 per month?

The only place that the people under these two Acts can get accommodation, at the rate which it is allowed, is under the Ontario housing corporation which has 13,000 applications on file. So I say, Mr. Speaker, that a study of rental costs and the quality of the accommodation in order to re-evaluate the amount of money allowed for shelter under The General Welfare Assistance Act is essential. It is also the same amount allowed for shelter under The Family Benefits Act.

A number of miscellaneous items in the new estimates and budgets of this government, under The Department of Social and Family Services, should be given consideration. I will itemize, Mr. Speaker. First, an adjustment of payments under The Blind Persons' Allowance Act, and The Disabled Persons' Allowance Act, because it has become evident in some cases now under The Family Benefits Act that these recipients can in fact receive less than they did under the old Acts. This, in fact, is diabolically opposed to the whole spirit of the Canada assistance plan which was designed to improve and standardize such allowances amongst other specifications which were outlined.

Along with the same particular area of the department, an item which deserves consideration of reallocation of allotment is under The Family Benefits Act regulation, section 7, item (c), referring to a blind person who has attained the age of 18 years and is blind or otherwise disabled as defined by regulations, and is not in receipt of a pension under The Old Age Security Act. The person may receive more under The Family Benefits Act than under The Old Age Security Act, and may end up the same way as the previous example of the blind persons' allowance, and the disabled persons' allowance, where we can in fact, be going backwards.

Under the child welfare branch, item 5, The Children's Institutions Act, where we budgeted this year 80 per cent of the cost, it is just not realistic assistance care under the Act. This still leaves the parent with 20 per cent to pay. Mr. Speaker, 20 per cent of the care of a child in a children's institution represents about $2,000 per annum, making it impossible for a family whose earnings are between $4,000 and $10,000 or a family in need to avail themselves of the institution

care for a child without assistance from a benefactor or private agency. That is perhaps why the institutions are now predominantly occupied by public wards. The other people cannot afford to place their children there when they have to pay 20 per cent of the costs. There should be a very good opportunity in the new estimates—and certainly I expected it in the last, Mr. Speaker—that the cost of $1,905,000 presently under this department for day nurseries should be under The Department of Education for pre-school education, where it belongs. The proof that it belongs in pre-school education is the fact that the Minister of Education (Mr. Davis) has junior kindergartens under his department. Day nurseries are not, as the Act states, custodial care. They are part of the learning process, and the Minister of Education must be certain of this.

Let us have the Cabinet hear from the Minister of Education on his view of pre-school education, and that this is where this particular operation should belong. Custodial care could then be adopted by The Department of Social and Family Services in financing after-four programmes for the children of mothers who work. I would like to compliment the Minister on the fact that the project of the Duke of York public school for after-four centres did receive a grant for operation for this next year. After-four centres can be operated by lay people—and the need of them was covered in the discussion on the estimates of the department.

I think my earlier comments stated that one in three women in Ontario work and that 50 per cent of them are working for $2,000 a year and 25 per cent of them for $1,000. A child has a 50-50 chance, Mr. Speaker, of being born to a needy family where the mother must work; and this government must provide services, pre-school education as well as home care in the field of day nurseries for the children of working mothers.

It may sound a little far out, Mr. Speaker, to some of the members of the assembly that we would in fact provide day-care services for children of working mothers. But in some of the back *Hansards* I read where Mr. Bryden, member of the then existent riding of Woodbine, stated that 150 years ago the Tories took the position that education for children was not the responsibility of the state. We have seen what has happened to that, let us hope that the care of children of working mothers will not be too hard for the members of the assembly to embrace.

Under general welfare assistance, Mr. Speaker, we have seen what happened when a $7.50 *per diem* amount was allotted. That tragedy was halted in mid flight. I just hope that we will see provision for the people in the nursing home care of the province in the next session.

I think, Mr. Speaker, the next item is to bring these two Acts, The General Welfare Assistance Act and The Family Benefits Act, into accordance and there are several aspects of them that are different.

The Minister claims that they are now almost identical. They really differ in many ways. One Act recognizes common-law marriage—The General Welfare Assistance Act—but The Family Benefits Act refers constantly to a married woman. The benefits for a single person under The Family Benefits Act is $62 but, under general welfare assistance it drops down to $47 a month. I think if a person needs $62 a month to live on for food and necessities and clothing under The Family Benefits Act, the same person certainly needs $62 under general welfare assistance, not $47.

We have allotted certain forms of pin money in some of our Acts, but we have completely disregarded—and I think money will have to be provided in the future—the families that are in the hostel. When a family goes into an emergency housing hostel in our city the welfare family receives no money whatsoever during that period. So that such a simple thing as going to the telephone for a number of times during the day to contact the Ontario housing corporation in order to get out of the emergency shelter, requires 10c every time the people telephone and they are in there with no money, not even the $15 allowance.

I might point out, Mr. Speaker, that this also appears in the fact that there is not any comfort allowance for people in mental institutions.

While I hesitate to mention it in this weather let us remember the cold days of May and let us see, Mr. Speaker, if the heat allowance cannot be extended beyond the month of April to May or even to June, according to weather, for the people under general welfare assistance and family benefits Acts. Once again, the heat section under both these Acts is different but I would like to point out, Mr. Speaker, that the heat in this particular building where we work was on in the middle of June.

Day nursery service for children will have to be arranged for the children of working mothers. We must look, Mr. Speaker, at the quality of the life the children lead. Where

do they play? Where are they turning their energies of mind and body? Is it in destruction, or is it constructively turned?

The two studies, Mr. Speaker; what are we doing, as far as children are concerned, in Ontario? Where are we going in that particular area? And the cost of rental accommodation and the quality?

The Canada assistance plan had one goal—the removal of poverty. It called for strong, imaginative, generous, and realistic action from the governments, and it outlined a number of points that pertained particularly to provinces. I said in the discussion during the estimates of The Department of Social and Family Services, Mr. Speaker, that this government has failed to embrace the true implication of the Canada assistance plan. It has taken the moneys, and it expanded to a board of review, which was a necessity. It made changes only where it absolutely had to, in order to receive the reimbursement.

I would like to read into the record what the Canada assistance plan from the Canadian welfare council really meant in their policy statement of July, 1966, in Ottawa under the heading, "The Provinces":

> The provinces would establish, provide and maintain rates of cash benefits at levels that are high enough, and have sufficient flexibility, to actually meet need whenever it occurs, and make provision for upward revision of such benefits as the income levels for the population as the whole improves.

We are not doing that, Mr. Speaker, when we have a $300 maximum, plus $10 per child over and above two or three—which includes rent.

I would like to point out that the social planning council, when they devised a scheme for rents, it was very difficult for them to do so, because they did not have the staff. I would submit, Mr. Speaker, that since they have provided actual budgets which the government might well adopt, perhaps the government could adopt the attitude that it will provide the enquiry that the social planning council would like to have done on the study relating to rental costs.

They took a survey of 429 unfurnished units by watching daily advertisements, and a survey of 260 different apartment advertisements; these results are based on the telephone enquiries. The tragedy of this whole report, Mr. Speaker, is that the government could provide the kind of information to the social planning council that could make this chapter on housing completely relevant. As it is now they unfortunately have to report this—that resources of 1964 did not permit an accurate survey in Metropolitan Toronto for this purpose. The 1964 guide recommended that a study relating rental costs to specifications be made. This study has not yet been initiated. I quote a housing costs survey based on the results of a telephone survey of 260 different apartment advertisements appearing in daily newspapers and involving a minimum of 429 unfurnished units. This information is a general guide.

Bachelor apartments, city of Toronto: Low $103; high $126. For the boroughs: Low $95; high $115.

One-bedroom apartments, city of Toronto: $125 low and $155 high.

Two-bedroom: $151 as a low and $195 as a high, in the city of Toronto.

In the boroughs, one-bedroom: $118 low; $135 high. Two bedrooms: $145 low to $158 high.

The following table gives a range of housing costs for the City of Toronto and the five boroughs, representing rates for available housing at mid-year 1967.

Unfurnished apartment rents: Monthly costs

	City of Toronto		*Borough*	
	Low	*High*	*Low*	*High*
Bachelor	103	126	95	115
One bedroom	125	155	118	135
Two bedrooms	151	195	145	158
Three bedrooms	[1]	[1]	170	185

[1]Too few were available, for statistical analysis.

Note: An apartment is a unit in a building having three or more dwelling units.

No actual resemblance to the $100 shelter allowance under these Acts.

The provinces were expected, under the Canada assistance plan, to make provisions for health services for persons eligible for assistance under the plan, in accordance with the health charter for Canadians outlined in the report of the Royal commission on health services.

To establish or otherwise provide such things as family counselling—which we have not really used, Mr. Speaker. Visiting homemakers, we have not expanded to the full use. Day-care centres for children; day-centres for old people; home-management training courses; counselling services. We have a budget from The Department of Social and Family Services for counselling that is small in comparison to the total outlay of

moneys. The outlay of moneys for The Family Benefits Act alone is about 50 per cent of the total budget of $110 million. Yet, under research and planning—projects where this government might be able to learn and to change this system from being a system of payments into a system of rehabilitation and prevention, hopefully removing poverty—under research and planning we have a budget of $200,000. There cannot be very must research or planning under that budget, Mr. Speaker.

They also state that the department would encourage voluntary agencies and make full and appropriate use of them in operating the plan. Earlier in the session I spoke about the fact that private agencies have no rapport from this government in the job of assisting the casualties of our society.

They even went on to say that they should authorize and recruit sufficient staff, that they should plan, develop, maintain and support staff development, and staff training programmes to cover all the forms of training, public and voluntary agencies.

I think, Mr. Speaker, that the time has come when, for the purpose of this particular department, rather than being a department of payments for the casualties of our society, it should become a department wherein we truly work to rehabilitate—to remove the indebtedness that occurs to casualties of our society when they turn to government assistance.

Mr. R. G. Hodgson (Victoria-Haliburton): Today I wish to express some thoughts on several subjects that are, and should be, of concern to our people and give suggestions on how these problems may be solved.

Also, Mr. Speaker, may I, through you, thank the *Globe and Mail*, the Toronto *Daily Star* and the *Telegram* for recently dealing with the issue of disposable bottles for soft drinks and other refreshments containers?

On June 29, 1966, I spoke on this subject and quoted several of the recreation area papers who had become concerned about this problem. I want to, once again, urge our two senior levels of government to deal with this problem in some reasonable way—to the lasting benefit of our environment. Perhaps the joint body of the council of natural resource Ministers would be the proper people to discuss this matter.

Mr. Speaker, I also want to deal a minute or two with the report that recently this government has received on the Lake Ontario economic region.

As reported in the *Telegram* issue of Tuesday of last week—and the words used in the heading of this article which stated "A Plan for Oshawa's Poor Neighbours" in my opinion are most unfortunate; I believe they really do no credit to the reporter, nor this paper. In the opinion of the people of the area concerned I know that my words today will meet with their best wishes to see if this could be corrected.

The report does justify my remarks made on the estimates of The Treasury Department on Monday of this past week and they justify the recommendations. One of these is the expression of the tourist industry expansion that is needed in my area. Also the large need for highway facilities to allow the expansion of this tourist industry.

Because of the inevitable relationship between regional development and any updating of existing municipal structure, I believe we should know here of several vital internal feelings of each area and its people. Therefore, with your permission, Mr. Speaker, I would like to suggest some of these things that should be thoroughly considered, in my opinion. What are some of the most urgent problems confronting my county's people in 1968; and what questions do these problems suggest, in an attempt to see more clearly the goals of the people?

I believe some of these problems are internal problems. The kind of society they might wish to have is determined by three general forces—political, economic and social. On the political part, I believe the crux of any political system in Victoria-Haliburton counties is the balance which is achieved between the opposing poles of centralization and decentralization.

The practical heart of the issue is: What is the necessary authority that must be granted to the local government apart from the local government's present jurisdiction? Do our people seem prepared to grant any further controlling powers to a central or regional government? If so, is there a consensus as to the nature of these powers and their range?

Do my people want to:

(a) revise the present division of powers to account for charging needs and circumstances;

(b) make more precise the written provision of areas of divided jurisdiction;

(c) alter, by providing for special regional programmes, a special status or differing arrangement?

These are political ends on which our people must pass judgment and seek a consensus if they are to make progress in our pursuit of shared goals.

On the economic matters, Victoria and Haliburton are confronted not only by the internal, lateral strain between provincial and regional interests, but also by the external southward pull of concentrated population centres. These twin forces underlie the debate on the economic future of Victoria and Haliburton counties. Do the counties of Victoria and Haliburton wish to preserve their political sovereignty even though it might involve a risk of continuing to be the economically poor cousins of their southern neighbours, or can my people have their cake and eat it, too?

These questions are as old as Canada itself and the answers to them perhaps lie in the testament that Victoria and Haliburton counties during their first time have opted to live apart from other counties. There are other related fundamental issues that have not been determined. The most central of these is a question of differential treatment and growth of our regions as contrasted to the concept of approximate regional equality across Ontario, and does an approximate regional equality mean equality in basic standards of public services, or of per capita personal incomes, or of growth in population?

On social matters what are the chief factors contributing to the social and cultural goals of Victoria-Haliburton? In what ways do my people participate in a revolution of rising expectations and how do these ways affect the admittedly elusive notion of the quality of Canadian life? Among the many factors which could be cited in this category, two might be singled out for special attention since they appear to be common to the interests of most Canadians.

One is the influence of governments, be they federal, provincial or municipal, as they touch more and more Canadians every day. There is continually growing pressure on governments to play a larger role in the life of all citizens in every region of the country. This development is in sharp contrast to the spirit that prevailed in an earlier age. What impact is this new, positive phase of government having on individuals? Should Canadians be taking greater stock of the dimension of the public sector in their society? Should they be asked to determine more precisely what role they want their governments to play in their lives?

Two: In a technical and increasingly specialized society the necessity of education and sophisticated patterns of education are becoming ever more apparent. What values do Canadians attach to education and are they prepared to pay the spiralling costs of universal education at all levels? Have Canadians been too concerned with this need and demand for education and insufficiently concerned with establishing discriminating kinds of education to fit a wide variety of social, economic demands?

These are some of the shared social concerns of Canadians. Some consensus about their relative importance and contribution to Canadian society must be achieved since they, too, are aspects of the goals of Canadians. While there are undoubtedly many reasons for a changing society the following are obvious:

1. There has been a decline in rural power and irrevocably a loosening of the relationship among the provincial counties;

2. There has been an increase in the city power and an instinctive rural withdrawal in the face of such power;

3. There has been forced on Victoria-Haliburton the necessity to view the province more broadly and in particular to be sympathetic towards less fortunate parts of the country.

These are some of the concerns of my people in 1968. The solutions can depend on how we see ourselves and on how they define themselves concretely rather than abstractly. It is what my people are today and hope to be in the future that is crucial. The essential factor is the willingness and determination of our people to agree on the kind of area they want to have in common. This government, in view of this report, must have these answers. They also have posed some solutions which must get action and attention.

This government has established the priority, now it remains to do the job and, Mr. Speaker, I am going to be bold enough to suggest a policy of regional development strategy for my area. In order to expand development of Victoria and Haliburton counties one must first question whether we can do more toward opening the area to those with the incentive to bring in capital.

These people must be encouraged to make a deliberate decision to harvest our resources. In order to start such a decision we require certain things to be done to assist the present people of the area to sell its potential to those who might be interested. We must prepare

an inventory of resources through the modern techniques of research. We must establish a plan of long-term goals and short-term objectives, and we must create a policy of co-ordination for all public and private operations in the direction of these long-term objectives. Each long-term and short-term objective must have a cost-benefit analysis and a stepped-up government programme of improvement of services and roadways.

We must construct new works and services on the basis directly related to the need; make provision to evaluate the programmes at the end of a reasonable length of time; and we must be assured that federal, provincial and local policies do not clash with these needs. Our resources study must include as the first step a policy—the resource of available tourist land, mineral and timber assets and agricultural potential. Our regional development council must have greater participation by local authorities devised.

Now, Mr. Speaker, some time ago the forest products accident prevention association of Ontario made a suggestion which I consider a good one. It has to do with the establishment of a school for loggers in this province. It was suggested that possibly arrangements could be made with authorities to establish an experimental logging area in which certain privileges and responsibilities for each authority would be created. One of these privileges would be to establish a training school for what might be called technicians in our industry such as drivers of wheel skidders and other logging equipment.

Possibly even individuals could be trained as power-saw operators and anyone who knows the problems of safety in our logging today realizes that our workers have found that they cannot be safe and still meet the production requirements when they are first starting on the job. This is, in my opinion, one way that The Department of Lands and Forests and Labour might co-operate with the people in the industry—the tools of the trade, along with our safety people—in establishing a much better safety practice in the lumbering industry in this province.

It may be well, Mr. Speaker, that senior governments of this country should also give study to what would happen if we had sewage and water systems operated and financed in a somewhat similar way to the Ontario Hydro, with provision for release in financing as a cost on land and the application on a user basis, instead of the present method. It would seem to me that if a charge for hydro was a basic part of land cost, we would see perhaps today another $1,000 or $1,500 being added to the cost of our homes here in this province.

The proposed study could take a look at the OWRC operations now being undertaken in our villages and townships under 2,600 population, in which experience is daily being obtained. I believe, Mr. Speaker, this could be the subject for a committee of this House and it could also have the result that the necessary capital could be found. It could be a shared programme, perhaps 40 per cent provincial, 40 per cent federal and 20 per cent local. These figures may be wrong but they could be adjusted to what the needs are and what the proper perspective would be.

I also want to say to the hon. members of this House that our horizons must not be limited by our present problems. We must look forward beyond them to a future province greater than our past has ever been. We, as Canadians, know so little about this country of ours. What shareholder in a corporation does not know more about the whole enterprise in comparison than we do as residents of this country?

I welcome the opportunity of going with the members of this House to see more of Ontario and understand it better this fall. I want to thank the government for suggesting such a trip and I hope it is a working trip and does something for the areas which we visit.

We, as residents of this country, also want to think about 30 years ago when this country was looking to a potential 15 million persons, and what figures of population are we looking at today? Some say 25, 50 or 100 million in our future! I suggest to the hon. members that they have not thought about it lately, as they are thinking of today's problems almost entirely, not those of a doubled population or greater. In the 1920s most of Victoria-Haliburton's tourist traffic came by train, but today 100 per cent come by car.

Hon. A. F. Lawrence (Minister of Mines): Some fly in.

Mr. R. G. Hodgson: Well, the hon. Minister says that some fly in. I hope a lot more will fly in after the Minister of Transport (Mr. Haskett) builds us an airstrip, and also improves the one at Lindsay. I am sure the hon. Minister of Mines is now going to assist me in getting the funds for this project.

Hon. A. Grossman (Minister of Correctional Services): We said sock it to them.

Mr. R. G. Hodgson: I do not think I need anything from The Department of Correctional Services.

Therefore, it is plain to anyone that we must, if we wish to maintain an even expanded type of traffic, have a system of highways that are comparable, at least, to the type of highways in other tourist areas of this province. No tourist area, no province, which desires to make a recreational industry a part of its national effort, can hope to expand or improve without a fine system of surfaced highways to carry the tremendous motor traffic—and I am sure we can expect this tremendous motor traffic in the future.

I believe we must make this province more interesting to unaccustomed Americans—with an atmosphere of Canada—and in this I do not mean flying the flag of the USA at every pop stand. We have, in this province, the right to fly beautiful flags that represent our history, why do we need to fly those of another people?

I have pleaded the case for my people, who live within my two counties, but an equal benefit is available to the seasonal residents we wish to gain from the urban centres of this province. I leave to another date to enlarge on how these people can be helped if the beneficial wheel of improved prosperity begins to turn in my tourist area. Industries of several types may come and go, they move or they may not be prosperous, but the tourist industry which was placed here by God himself can be developed to a greater potential. Ours is a developing recreational area, and we wish it to be Ontario's finest, serving not only our urban population of this province but those who choose to remain in our rural areas.

I thank you, Mr. Speaker.

Mr. J. H. White (London South): Now we will have a recapitulation of all previous speeches.

Mr. M. Shulman (High Park): Mr. Speaker, I had really intended only to discuss the Budget tonight but the member for London South (Mr. White) finally has had a great idea and so I am going to put the Budget aside for a moment. He has for once—the first time this session—made a very good suggestion: That someone should recapitulate the various matters that are brought up here in the House. So, I shall oblige the member for London South by doing that. The member for London South is leaving the House. It gives me great disappointment, I enjoy speaking so much more when he is here to give me his excellent interjections.

Mr. Speaker, there has been a great deal of discussion these last few days of the length of this session. Perhaps I might give that one word, because I disagree with the members who have spoken on that particular subject. We have been here five months which, apparently, is considerably longer than the Conservative government in the past has been used to running legislative sessions. The reason we have been here longer is because we have a larger Opposition, and a more aggressive Opposition and a more probing Opposition, and we are going to be here longer every year.

Frankly, most of the people in this province are used to working more than five months of the year, and I do not think there is anything particularly wrong with us sitting here five months or ten months if we have to, to go through all the work that is necessary. We have sat here five months and we have not really touched the basic important issues—housing, taxes, air pollution. We have seen all sorts of bills pass which are not going to really scratch the surface of the problems which we, on this side of the House, believe are the important problems which government should be looking after.

There are certain changes that should occur in the working of the House, and this has nothing to do with time. This has to do with two things. First, I think it would be agreed by the members on all sides of the House, and this is the farce that we call the private members' hour. In their benevolence some years ago, I understand, the government said: "Very well, we will take an hour, we will take two hours a week, and you may discuss the bills you bring in; we won't allow them to go to a vote no matter how clever they are or how good they are, even if every member of this House agrees with them; even if speakers from all sides of the House got up and say 'we agree with this bill', we will not let it go to a vote; if it is a good bill and if our side agrees with it, in three or four years we will bring it in, perhaps with some government member's name on it."

We have seen this. The member for Yorkview (Mr. Young) brought in, year after year, his bill recommending changes in motorcycle laws, and nothing was done about it, even though everybody agreed with it. Finally, after a suitable interval—the government usually likes five years, I think this time they took only four, because they are becoming more progressive—they had one of their back-

benchers bring in a similar bill and, finally, it became legislation.

Well, this is a farce. We waste our time here. If you do not allow these things, we will send you private letters. We will put the ideas in the letters and you can bring them in under your own names to start with and save a lot of time, and we can get these progressive changes four years earlier.

So, Mr. Speaker, for goodness sake, if we are going to have private members' hours—and I think everyone agrees they are a good idea—allow a free vote. The government does not have to fall if a private member brings in a good idea and it passes. Everyone would understand it would not be a vote of confidence.

This would be a way of bringing in the good suggestions that are brought in from all sides of the House from time to time. There is no reason why the government cannot allow a free vote. If for any particular bill there is any particular reason why they should not want to allow the legislation, then they have the numbers, let them vote it down.

We have bills brought in here which affect the good and welfare of the people in this province and we have Conservative backbenchers getting up and speaking on behalf of those bills, and nothing happens. I think this is the first and major change that is required, in order to improve not only the working of the House but the feeling that the backbenchers are doing something worthwhile, not just putting up ideas for the government to bring in as their own some years later.

The other matter which caused a great deal of irritation on the Opposition side is the question period. I think most of us try not to abuse the question period. We certainly, in this period, have tried to keep our questions as brief as possible, as pertinent as possible and as close to urgent matters as we possibly can. Because of the time set-up, especially now that we are sitting in the mornings, it is very difficult to get in the questions sufficiently far in advance for the Ministers to have whoever does their thinking for them write out the answers.

So, I would like to suggest to you, sir, that we could very well bring in the system which is used in Ottawa. You can still keep control. You can have a time period if you wish. Certainly the questions should be pertinent and urgent matters of the day. But it should not be necessary for the Minister to be given a day's notice or half a day's notice, although if it is a matter that is going to require some research obviously it is to the member's advantage to give the Minister some advance notice.

This is a ridiculous archaic rule that is still used in this House and it is one that I think perhaps the Ministers now can set aside, so that the question period can be a proper give and take, and a proper way of spontaneous answers—

Mr. P. D. Lawlor (Lakeshore): They are afraid of being caught off guard.

Mr. Shulman: Yes, they are afraid of being caught off guard, but some of them are improving efficiently, so that they are able to partake in the debate and perhaps they would allow, next year, spontaneous questions and spontaneous answers, and if they are embarrassed, well, they can still take it as notice and they—

Mr. Lawlor: They can, then, take it back afterwards.

Mr. Shulman: That is true—perhaps.

There are a number of changes that we have suggested be made in the expenditures of this government; changes that are going to cost a lot of money, many millions of dollars, perhaps hundreds of millions of dollars; and the changes that we have suggested invariably involve people. I will go into these in some detail, perhaps when I get into the Budget, later this evening.

But invariably, when we suggest these changes—

Hon. A. Grossman (Minister of Correctional Services): Well, where are we now?

Mr. Shulman: The Budget proper. Invariably when we suggest these changes the question comes up, where is the money to come from and—having gone through the Budget proper—it is very obvious where this money must come from. There is only one really fat department. One department that could be cut down beautifully without anybody really feeling it. And this, of course, is The Department of Highways.

We could do all of the changes, without even bringing in any new taxes. We would make all of the changes that we have suggested here this session; bring in the things that the Minister of Social and Family Services (Mr. Yaremko) says there is no money for. We could bring in the changes that the Minister of Labour (Mr. Bales) has said there is no money for. We could actually give decent pensions to widows whose husbands die on a job. We could pay a comfortable

allowance to people who do not have a penny coming in who are in disabled persons hospitals.

All this if we could just cut a little of the fat out of The Highways Department.

Here we have a year where the Provincial Treasurer (Mr. MacNaughton) gets up and says, it was a tough year. "We have got to save money because it is hard to borrow money in the capital market. We hate to bring in these new taxes, but we need a little more money for horse breeders and we promised the people we would give them $50 back on an average house. We retax that back right after the election in another way, but still it is a tough year." Yet we see The Highways Department continuing to grow and get fatter every year and nothing being done about it.

So this is where I want to start. That is the department that should be cut to the bone. That is the department where, in this tough year, there should not be a highway built in southern Ontario. I had the opportunity—the mixed pleasure—of going to northern Ontario, and their highways are a shambles. The work has to continue up there. We could have managed here this year. We could have managed without building anything further on 401. It would have taken five minutes extra to get home Sunday night. The Minister of Mines (Mr. A. F. Lawrence) was bewailing this, when this particular department was brought up before the estimates. We could have managed very well and that money could have done so much better in so many other places. But this government's system of priority is what is wrong with this government basically, and this is really where our major difference is.

Everybody agrees that we would like to have 12-lane highways all over Ontario right up to Hudson Bay, but we cannot have them. Everyone agrees there should be comfortable allowances paid to disabled persons. We do not have them, but we can have them, and this is where the priority system is wrong. There is something wrong in the legislative council and there is something wrong in the Cabinet that their priorities are so cockeyed.

Well now, Mr. Speaker, I would like to digress for a moment on to a slightly different matter and talk about the need for an office in Ontario which we, in this party, have requested on many occasions.

The Liberal Party—for some strange reason—has also requested this, and that is an ombudsman. I have often wondered why the Liberals just do not phone Pierre Elliott Trudeau and say please appoint an ombudsman for Canada, but I guess they have not got around to that yet.

In any case, they give lip service to it and we mean it. There should be an ombudsman in this province and there is nothing like a personal experience, Mr. Speaker, to indicate to you how much the individual in this province needs an ombudsman when he comes in conflict with government.

Interjections by hon. members.

Mr. Shulman: I might be available—

Mr. E. A Winkler (Grey South): Is the hon. member after a job?

Mr. Shulman: I might be available after we form the government.

The purpose of an ombudsman, of course, is to stand between the individual and government at whatever level. We, as MPPs, all receive letters from many, many people who have problems which should be handled by an ombudsman, some of which we are able to solve. I see perhaps a little more than some of the members because of the large amount of publicity I received in some of these cases. In fact I was rather delighted when the Premier (Mr. Robarts) revealed the count of his mail the other day to find that he had slightly less than I do, but these last few weeks—

Hon. M. B. Dymond (Minister of Health): The hon. member does not like himself, does he?

Mr. Shulman: The facts hurt just a little.

Mr. D. C. MacDonald (York South): The hon. Minister does not like facts, does he?

Interjections by hon. members.

Mr. Shulman: Mr. Speaker, I heard one of the Conservative backbenchers say the Premier does not advertise, but he certainly does a lot of advertising with his picture in the papers—mentioning the province of Ontario. I wonder if his advertising comes out of the public purse. Mine does not.

Anyway, these past few weeks—to my great sorrow—I found that I needed an ombudsman. In fact, I still need an ombudsman and all the people on the street where I live need an ombudsman. So we got together the other day and one of my neighbours suggested we contact our local MPP but, unfortunately, our local MPP has lost his feathers and he has become a very tame little bird so we are going to have to take another approach.

I would like to tell the House of this particular problem which exemplifies the need for an ombudsman in this province.

Our personal problem for which we need an ombudsman began on June 14 of last year when all the residents of Russell Hill Road—which incidentally is not in Forest Hill village, it is in the city of Toronto—south of St. Clair received a lovely letter from the municipality of Metropolitan Toronto, department of roads, and it said:

> Information bulletin—File No. 200216: Storm sewer construction south trunk drains, Spadina expressway.
>
> The Metropolitan Toronto department of roads is constructing a trunk storm sewer to accommodate the rain water from the Spadina expressway and the area traversed through the city of Toronto in the borough of York. The route of this large drain follows the alignment of the expressway from Ellen Ridge Drive to the south of St. Clair Avenue and the Nordheimer ravine then east through the ravine south of Russell Hill Road to an outlet in the Don river.

And then it goes on with many details as to who is handling the construction, the various general contractors, the initial work, and so on, with great details about the storm sewer, and it finally finishes up:

> This storm sewer construction is a vital project of the development of the areas of the city of Toronto and the borough of York and cannot be constructed without some inconvenience to the residents of the surrounding area. We will endeavour to keep these to a minimum. If further information is required or complaints are received, we will promptly investigate the circumstances and supply the necessary information.
>
> *Signed*, J. L. Shirley,
> Project engineer,
> Department of roads,
> Municipality of Metropolitan Toronto.

Well, it was a very nice, polite letter and we all thought it was very kind of the department of roads in Metropolitan Toronto to let us know that they were going to build a sewer in our back yards.

Hon. A. F. Lawrence (Minister of Mines): The original letters were sent out at the instigation of the local MPP—

Mr. Shulman: Mr. Speaker, I am delighted to find who is responsible for this. The MPP for St. George, the Minister of Mines, has acknowledged that he is responsible for this letter. I wonder if he will acknowledge responsibility of the letters that follow?

Interjections by hon. members.

Mr. Shulman: Let him go on, I am rather delighted. Well, we were all very pleased at receiving this letter because it was kind of them to let us know and we were delighted that we were not getting the Spadina expressway, thank goodness it was going two blocks farther west, and the people that lived on those streets were going to have cars in their back yards. We were just going to get a great big pipe, and they were going to put it under the ground and they were going to cover it with grass and it was going to be beautiful. It is, after all, a minor inconvenience to have a hole dug in your back yard, and a pipe put down there, so we did not worry too much about that.

Well, some months went by and the bulldozers moved in; not in the back yard, but in the ravine behind it, which must be a good 100 or 150 feet back. They were not very pretty, but this was the price of progress. They began digging holes and then put down a great big pipe, and our little stream back there disappeared, but this is the price of progress.

January went by, and then at the beginning of February, I think about seven in the morning, we thought that an earthquake had begun. All up and down the street a great huge pounding began, and the earth was shaking and the houses were shaking, and plates began to fall off the table; walls began to crack; and windows began to break—not just in one home, but in a series of homes.

Quite seriously, at first I thought that there had been an earthquake, and went rushing out into the back yard to see what this pounding was. They had moved in a funny machine, and I am not sure what the technical name of it is, but because the earth was frozen, and they did not want to wait until it melted, they had a great huge pile driver, and it was ramming down into the frozen ground with tremendous gusto, some ten or twelve feet into the ground, and simultaneously, because the ground was frozen, shaking the earth for hundreds of feet farther in all directions.

Well, I and one of my neighbours went dashing out yelling: "Stop, you are wrecking our houses, you cannot do this." The poor man on the top of the pile driver stopped when I said, "Do not do a thing, I am going to get an injunction. I am going to go to

my MPP, and I may even go down to Metropolitan Toronto to find out what they are doing. And I phoned the project engineer, a Mr. Shirley, at metropolitan roads, and he said to send them a letter. So on February 9 I sent them a letter saying that the whole house was falling down and to please stop. I got a very polite letter back on February 16:

Dear Dr. Shulman—

An hon. member: "Dear Dr. Shulman!"

Interjections by hon. members.

Mr. Shulman: To continue:

Your letter of February 9 to the clerk of Metro Toronto, concerning the driving of piles on the construction work at the rear of your property, has been forwarded to me. I have contacted the engineers and the contractor, Peter Kiewit and Sons, Contractors of Canada Limited, and I understand that the contractor and his insurance agent have discussed your complaints with you. Please contact me if there are any further developments in this matter.

Yours very truly,
Mr. M. R. Browning,
Director of operations.

The same day I received a letter from the metropolitan clerk:

Dear Dr. Shulman:

This will acknowledge receipt of your letter of February 9, 1968—

Hon. Mr. Grossman: Does anybody ever start "My Dear Dr. Shulman," or "My Very Dear Dr. Shulman"?

Mr. Shulman: I do not dictate the letters that come to me. The Minister of Correctional Services has a little better control of the letters he receives.

—with reference to damage to your home at 66 Russell Hill Road. We checked this with our officials and are advised that the contractor, Fenco Harriss, has placed the matter in the hands of his insurance agent, Dale and Company, and we understand that they have already been in touch with you. If you require further information it is suggested that you get in touch with Dale and Company Limited.

Signed, George M. Foster,
Metropolitan Toronto clerk,
Municipality, Metropolitan Toronto.

Well, there was silence for a week. The pile drivers stopped. We did not bother to fix the broken windows and a parade of men started to come through our house—engineers, insurance men, excavators—they came and they measured and took pictures and expressed their concern. A man came in with a seismograph and they put the seismograph down one day and sent up a red flag and the pile driver began. The whole house began to shake and the seismograph went like this, and the engineer said: "It is a very low reading, we hardly feel it at all."

I should have realized then that something was wrong but I still was fairly innocent, and—trusting the metropolitan government and the construction companies and rather weak-mindedly trusting the insurance companies—I said, "Carry on and do what you can."

An hon. member: Allstate?

Mr. Shulman: No, strangely enough, it is not Allstate this time. Well, three weeks went by and then suddenly at 7.30 in the morning: "Bang! Bang! Bang!" And the house began to shake again. The neighbours started phoning that the houses were shaking and the walls began to crack north of us and south of us, and the dishes started to fall off the table again, and I was rather upset—

Some hon. members: Dear Dr. Shulman!

Mr. Shulman: I rushed out to the back yard again and said to the man on the top of the pile driver: "Stop, I am going to get an injunction." And he said "My boss says I cannot stop, we have got to keep pounding." So he kept pounding, and I ran down to my lawyer, and he said: "Well, you should learn some law. You cannot get an injunction if the damage they are doing is repairable by money." So I decided that I had better write a letter to Metropolitan Toronto, and on March 21, I wrote them a letter as follows:

Dear Sir:

Re Spadina expressway, contract R1067. On February 9, 1968, I wrote to you to complain to you of damage to my home because of pile driving by your contractor.

I should interject for those who have just arrived in the House, this is nothing to do with rectal problems.

Following the letter, I was visited by numerous insurance men and engineers, but despite my pleas the pile driving was not discontinued. Despite their assurances there has been further serious damage

since that time. For example, several panes of hand-made unique stained glass window facing the ravine shattered within one day of the engineer's bland assurance that the vibration was very minor. I am writing to enquire as to whether Metro intends to make good for all the damages, as otherwise I shall seek legal redress.

The next day I got a lovely letter back from the metropolitan clerk.

Dear Dr. Shulman,

This will acknowledge receipt of your letter of March 21, 1968, with reference to damages to your home. Your letter had been referred to the metropolitan commission of roads with request that the commissioner reply directly to you.

Yours truly,
George Foster, metropolitan clerk.

Well, three days went by and sure enough a letter came from the department of operations, of the commissioner of roads:

Dear Dr. Shulman,

I have your letter of March 21 from the metropolitan clerk, referring to damages to your home, which you state were caused by work being done on our trunk storm sewer.

In our contract with Peter Kiewit and Sons, Company, the contractor on R1067, there is a clause which states that the contractor shall indemnify the Metropolitan corporation from all claims. Any claims for damages which are sent to us are forwarded to the contractor and we insist that he resolve them. Your letter has been forwarded to Peter Kiewit Sons, and I shall ask them to contact you immediately.

An hon. member: Who is your member of the Legislature?

Mr. Shulman: The Minister of Mines.

Interjection by an hon. member.

Mr. Shulman: I had considered approaching the Minister of Mines but he has informed us that he is responsible for the initial letter of the series, and under the circumstances, my faith in him has been a little shaken.

Mr. E. W. Sopha (Sudbury): Obviously he has forgotten his responsibility to his constituency.

Mr. Shulman: Mr. Speaker, I am now asking the Minister, through you, if he will act as my personal ombudsman in this problem. Anyway, some time went by and finally we received a letter from the insurance company for the metropolitan government. Their name is the Canadian automobile service association, and I am quite concerned as to why—

Mr. V. M. Singer (Downsview): Oh, that is terrible.

Mr. Shulman: I am quite confused as to why a Canadian automobile service association represents Metropolitan Toronto, but I presume that there is some strange logic.

Dear Dr. Shulman,

Re our insured, Metropolitan Toronto, we are the adjusters acting for the insurers of Metropolitan Toronto, and we are in receipt of copies of your correspondence to the metropolitan clerk. The pile driving operations are being conducted by our assured contractors under the terms of a contract which contains a "save-harmless" clause.

Perhaps the lawyers in the House know what this means, but it is rather foreboding.

Interjection by an hon. member.

Mr. Shulman: To continue:

We understand that you have already been contacted by the contractor's representatives and that they are investigating your complaints. Under the circumstances we must deny liability on behalf of Metropolitan Toronto.

Yours very truly,
J. N. Walsh, adjuster.

Well, I and other of my neighbours began to have serious problems. We found for example that our ceilings were beginning to part and water was beginning to run into several rooms. This was upsetting, and we had contractors come up who had been up on the roof previously and they said in the last few weeks everything had parted. I was a little upset when Metropolitan Toronto said because of the save-harmless clause everybody was out of luck, but we thought perhaps the contractor would do better.

Interjection by an hon. member.

Mr. Shulman: Mr. Speaker, we went to this particular government—and I am giving the details of this case to show how government can become very callous when individuals are involved—at any rate this individual government said they were not responsible because everything was safe and harmless.

Interjection by an hon. member.

Mr. Shulman: We were then contacted by the contractor Peter Kiewit, and he said: "Well, we cannot pay your damages. It is too bad, we are very sorry about the whole thing. We cannot pay your damages. We cannot pay the damages of the other people down the street that have been hurt. We cannot pay the damage for people up the street, because we have an insurance policy. You see, we are in the construction business; we are not responsible for paying for damage, that is why we carry insurance. We carry insurance with Topless" – Topless? – "Toplis and Harding of Canada Limited" – that is spelled Toplis–"but do not worry, we deny liability because it is our insurance company's responsibility. They will look after everything."

So then some months went by, and we did not hear from the insurance company. I kept phoning them. I found the adjuster a lovely gentleman, a very nice man; he kept saying: "Do not worry, we will call you back." He never called, and I phoned every day for about two months and he never called back. Finally, I thought my wife would do better, so she phoned him, and the next day we received this letter.

Mr. Singer: "Dear Dr. Shulman–"

Mr. Shulman: No. No.

Dear Mrs. Shulman:

> Re our insured Johnson Kiewit subway corporation. Our file No. 9 LL 68-217-HG–

What disturbs me also about these letters is that the numbers keep getting longer and longer as the friendliness in the letters gets shorter and shorter. This was the last letter of the series–

> In accordance with our telephone conversation–

which I am not very clear about, because the telephone conversation was, "We will call you back":

> –we would confirm that our principal for reasons previously explained have instructed us to deny liability in respect to your claim against the above-captioned insured.
>
> We remain, yours very truly,
> Toplis and Harding of Canada Limited.
> J. R. Harris, assistant manager.

End of series.

We thought perhaps, Mr. Speaker, we were wrong. After all, all these houses did begin to break down at the same time when the pile driving began, but perhaps it was a coincidence. So we thought perhaps they are right –perhaps it was not their fault and the pile driving had nothing to do with it; and the insurance company was not responsible; the construction company was not responsible; and the drain was not responsible; and the metropolitan clerk was not responsible. So we thought, well, we should find out for sure. We had so much damage, let us invest a little bit more and let us find out for sure.

So the leading–

Hon. Mr. Grossman: Did the hon. member get in touch with the alderman?

Mr. Singer: No. He wrote to Action Line.

Mr. Shulman: No. We did even better. We got in touch with Warnock Hersey International Limited. Warnock Hersey happens to have an international reputation as engineers and contractors doing this particular type of work, and Warnock Hersey came up, at a terrible price per hour, and they spent–

Mr. E. Sargent (Grey-Bruce): Get to the point! Get to the point!

Mr. Shulman: Patience. Patience. We are getting there, this is just the introduction.

Warnock Hersey sent three men up and they spent some time there, and they presented a very lengthy, beautiful report with pictures and everything. At the end of this report they said that–

Interjections by hon. members.

Mr. Shulman: Perhaps I should read the whole report, it is very interesting.

Interjection by an hon. member.

Mr. Shulman: Well, the conclusion then.

> It is our considered opinion–

Interjections by hon. members.

Mr. Shulman: Their report said:

> It is our considered opinion, bearing in mind the limiting conditions set forth above, that the cause of all the damage noted in this report is heavy intermittent vibration.

Warnock Hersey also went into homes farther down the street and found the same thing–the same problem–the type of cracking and breaking caused by vibrations. Yet here we sit–and it so happens in this particular case this metropolitan clerk and this insurance company and this contractor have chosen an unfortunate street to pick upon, because the people on this street tend to fight back.

This is typical of the type of thing that can occur anywhere where people's homes are expropriated, or damage is done, and everybody says: "Too bad, we are denying liability, what are you going to do about it?"

I will tell hon. members what we are going to do about it. We need an ombudsman, because as things stand now—there we have the response of the Liberal benchers, "Get hold of a lawyer."

This is the attitude that is bad because most people cannot get hold of a lawyer, because of the cost. To bring a suit of this nature against a contractor can drag on for years—sure as heck the insurance company will appeal it. It can cost, as I have learned to my sorrow, thousands of dollars to fight these very peculiar cases. So most people say, if they are in a situation such as we are in, where the damage is a tiny fraction of what the lawyer's fees will be: "I suppose there is $2,000 damage in our home; $1,000 damage to the home to the south of us; $500 to the home north of us. Instead of chasing this amount of money we will let it go. It is not worth hiring a lawyer and taking the chance of heavy court costs where you may end up spending several times that."

That is why this response of "get a lawyer" is the worst response. I would expect better from the member who offered it.

There should be some responsibility on the part of government, if not on the part of the insurance company, when they do damage, to come in and repair the damage. This is just simple justice. When the government members deride it and laugh about it, when the Liberal members say, "get a lawyer," they are not doing justice to the position which they hold here.

Interjections by hon. members.

Mr. Shulman: The member for Downsview has very little contact with this problem.

Mr. Speaker: Order! Order!

Mr. Shulman: Mr. Speaker, when the metropolitan clerk writes, "we are denying liability," and this is wrong, what is the response? Should you contact your MP, or your MPP, or your alderman, or your lawyer? Or should we have an ombudsman, so that when someone is caught by a big government on one side and the possibility of heavy expenses, there is someone to go to who will handle this? This is what we need.

Hon. Mr. Grossman: Why did the hon. member not get in touch with his alderman?

Mr. Shulman: Mr. Speaker, since we are talking about aldermen: As we well know, the alderman, of course, will be sympathetic. He wants the votes, perhaps more than the MPPs. His margin is a little narrower, and he will come down in the council, and he will say, "This is a terrible thing." And the metropolitan clerk says: "Well, we have an agreement—we have a save-harmless clause."

It is true. I have today written to the mayor, and last week we wrote to various other individuals. Unfortunately the mail strike is probably holding some of this correspondence up.

I wrote to the mayor because I thought it would be more effective.

Mr. Speaker, if the front bench could subside we will get through probably tomorrow. I was hoping I would get through tomorrow, but as it is it may be not until the next day.

As to the matter of the length of my speech, the member for London South has suggested that I should go over the various matters which have been brought up in the House and for which there are tail ends. I gave this a little consideration before I came in here and found that it was going to take somewhat over a week. The members of my own party pleaded with me and I have promised them all that my speech will be no longer than the speech I gave in reply to the debate on the Throne Speech.

I would like to go on—

Interjections by hon. members.

Mr. Speaker: Order!

Mr. Shulman: I think it is perhaps fair that, inasmuch as this is the end of the session, I might briefly mention the three bills which I had the honour to introduce here.

Interjections by hon. members.

Mr. Shulman: I had the pleasure and honour of introducing three bills here, Mr. Speaker. They have not been given Royal assent yet and that is why I am going to mention them here.

One of them had to do with air pollution, Mr. Speaker, and this at least had the privilege of being debated here.

Mr. J. H. White (London South): Mr. Speaker, on a point of order, it was my understanding that it was against the rules to debate any other item of business under a particular item of business. I am gratified to

see the expert on the Liberal front benches nod agreement.

Mr. MacDonald: The member for London South is wrong, as usual.

Mr. Shulman: Inasmuch as the member for London South has missed most of the Budget debate, I guess he is not aware this precedent has been set by one or two members of his own party.

My first bill on air pollution did receive debate here and the only complaint from the government benches was that air pollution from automobiles was not covered in that. Now, inasmuch as it was expressly stated at that time, that I was bringing in a separate bill to cover air pollution from automobiles, this was a quibbling complaint.

Unfortunately, because the session is running out, the bill which I brought in, an Act to provide for the control of air pollution from motor vehicles, Bill 175 will not have the opportunity of being debated here. But I would like to say—and I am not going to go into it in great detail, Mr. Speaker—but I would like to say that this covers the one major source of air pollution which is not covered in the previous bill which I brought in to cover air pollution.

It should not be necessary for us in this House to wait several years for the government to act in this matter Now, air pollution—I am going to speak on this very briefly—we have really done nothing this year in the field of air pollution.

I was rather appalled a few weeks ago when the Minister of Health got up and said: "We have a pilot project going. The meat packing plants out in west Toronto are being cleaned up and this is going to be our first great project, so you see what we can do." Well, I have been reasonably modest up to that time, on that particular subject, but inasmuch as the Minister has brought it up as his pilot project, I think perhaps the members might be made aware—

Mr. Speaker: I would point out to the member that he is quite in order in discussing his particular bills which have not been debated here, but at the moment he is now returning to a debate on a matter which has been dealt with, and the rules of the House indicate that that is not again to be debated. So, I would request that he confine himself to those things properly debatable, even in the wide latitude of the Budget address.

Mr. G. Ben (Humber): On a point of order, Mr. Speaker, if I may. I do not know that the Speaker is, perhaps, exactly correct. The bill having been passed, it is something in the past, and he can now argue that the law still lacks some mechanics to make it sounder than it is.

Mr. Speaker: Not during the same session.

Mr. Ben: That bill is settled, but he is just pointing out that the law as it stands still lacks a lot of good sound factors which would make it stronger than it is.

Mr. White: Mr. Speaker, on a point of order, I refer to page 451 and 453 of the 16th edition of May's *Parliamentary Practice*, and on page 451 under "Summary of Rules," it says:

> A member while speaking to a question may not introduce a matter which is irrelevant to that question, allude to debates of the same session upon any question or bill not then under discussion.

And on page 453, at the bottom of the page, it says:

> Reference to debates of the current session is discouraged even if such reference is not irrelevant as it tends to re-open matters already decided.

Mr. Speaker: I think the member for High Park understands the situation and can be relied upon to carry on.

Mr. Shulman: Well, I was very pleased to have this break, in any case, Mr. Speaker. But actually I was not going to repeat anything. What I was going to speak about was the particular problem in my riding, which I have not brought up until this time; to explain the background of how the air pollution was cleared up in that riding; and for that reason, I made reference to the air pollution bill.

Mr. Sopha: We know what the particular problem is in this member's riding.

Mr. Shulman: The particular problem that we used to have in my riding, Mr. Speaker, involved the matter that the riding smelled, it smelled rather badly.

Mr. MacDonald: It was a Tory riding.

Mr. Shulman: It has been smelling very badly for some 35 years, and the reason it smelled badly was that there are packing plants there, and packing plants have animals, and animals do various unpleasant things, and nobody was cleaning it up. The result was

the odour would waft down beautifully all the way from St. Clair. Sometimes, it got down as far as the lakefront but you could always get it as far as Bloor if the wind was blowing in the right direction.

A lot of people were unhappy about this problem in my riding. I lived there for many years and we were told nothing could be done about it. From time to time we went to the good Conservative representative who said nothing could be done about it. That particular member was the chairman of the committee on air pollution, so he should have known. He said nothing could be done about it.

There was an election last October and one of the issues that developed in that election was the smell in High Park riding. There was a rather large meeting which the good Liberal judge, the then candidate, attended. He was one of the three of us but he was defeated. He became a judge. He was the only true winner, I think. The good Conservative member attended. He was the chairman of the air pollution committee.

I was there and we brought up this matter of smell. And I said: "But I have been down in Chicago and they don't smell in Chicago, so why do we have to smell in Toronto?" Apparently the animals were a little different in Chicago. They are scrubbed.

So the member explained it was not possible to clean that smell up. It did not seem right, so I went down to the Darling plant in Chicago and they gave me their plans. I brought them up here and I took them to Canada Packers, I took them to Swifts. They did not do anything before the election because they were still hopeful that perhaps the good chairman of the air pollution committee would be re-elected and that would be the end of their problem. But, unfortunately, he was not.

On October 18, I was in touch with the president of Swifts and the president of Canada Packers. On October 23 five days later, suddenly we had some results. I had a lovely letter from Mr. W. D. Gossett of the general engineering department of the Canada Packers plant, re odour control, west Toronto plant. I shall not take the time of the House to read this very lengthy report unless anyone wishes to hear it, but to sum it up briefly, they decided that perhaps it was time that something was done about odour control in west Toronto, so they laid out a heavy schedule which I have here.

This is why I asked the Minister earlier about his policy about air pollution in west Toronto. He did not know too much about it. He gave us a very nice one-sentence reply that this was a pilot project and everything was going to be lovely. I could not help smiling a little because, at the time, I had this very detailed report in front of me, showing how they were going to control rendering odours, sewage odours, the oil refinery, air odours, blood dryers, animal odours and so on, with great detail, the costs, the method by which it is done.

Hon. members might be interested in knowing the method by which it is done. It is all so very simple, it is ridiculous. It is done with a great, big fan. It used to be that they had a bunch of small fans in the packing plants, and the smelly animals would come through and they would blow the fans and the smell would go out in the air and everybody would smell it. Now, they put in one great huge fan. But this fan sucks in so that instead of the air going out the windows, the air goes in the windows. It is all pulled into one corner of the plant where this big fan is, and behind the fan is a great, big tub of water, and dissolved in the tub of water is the potassium permanganate and the air bubbles through this potassium permanganate and it comes out smelling sweet.

The little smell that is left is cleaned up by pouring a little perfume on it as it comes out. They cleaned up the whole darn thing with a great big tub of water and a big fan.

This is the problem they had not been able to solve for 30 years. Well, this is the pilot project which the Minister of Health has told us about in west Toronto and I thought perhaps the members would be interested in knowing why and how we got that pilot project. But this disturbs me a little bit, Mr. Speaker, about air pollution in the rest of the province, because if this is how we are going to have projects going, may I suggest to the various members—I am sorry the member for Sarnia (Mr. Bullbrook) is not here because he needs it because his riding smells too. I am sorry that he cannot hear—

Mr. Ben: How much is it going to cost?

Mr. Shulman: How much is it going to cost? It is going to cost Canada Packers an initial expenditure of $190,000 and, in the future, another $254,000.

Mr. Ben: That is .01 per cent of their turnover?

Mr. Shulman: It is, I think, something like, one per cent of their capital last year.

Mr. Ben: It took them 30 years.

Mr. Shulman: It took them 30 years to get around to spending that one per cent.

Mr. G. A. Kerr (Halton West): The hon. member is guessing.

Mr. Shulman: No, I am not. I looked up the figures. Well, this is what we are all going to have to do in our own ridings because I do not believe that the government is going to move. If this is their pilot project which they had nothing to do with—very little to do with it I would suggest—then the various members had better go around to the different plants and present schemes, and tell them: "If you are not going to co-operate, boys, we are going to get up and yell in the Legislature because this is the way to get results."

The air pollution in the Conservative ridings? I am afraid there is no solution for it. We are just going to have to leave that be for the next three years.

Now there is another bill to which I had the pleasure to give first reading in this Legislature, and which I would like to spend a few moments on because it has had no discussion as yet. I think it is terribly important and it has to do with breathalyser tests.

One of Ontario's better newspapers, the Kingston *Whig Standard* has written this up in some great detail. Briefly, Bill 159 is a bill to bring in a modified implied consent law; and this modified implied consent law is a little different from the implied consent laws we have in other parts of the world in that, instead of insisting that persons have a breathalyser test—because some people object to the breathalyser test—it insists that you take either the breathalyser test or a blood test or a urine test to test your body alcohol. If you refuse to take a test, your licence to drive would be automatically cancelled for six months.

Now, there has been discussion of this type of change in this area and in other jurisdictions for years and despite the continued discussion and despite the proven results in areas like California and England, nothing has been done here and there has been nothing in the comments of the Minister involved to suggest that anything is going to be done.

This, I think, is so very important. I am convinced from reading the research that this can make a massive change in the number of deaths on our highways. I would like to take a few minutes and read the write-up here in the *Whig Standard* of last Saturday because I think it is so very important. I quote:

> Bill 159 is probably one of the shortest private member bills to hit the Legislature in a long while, but its impact on the motoring public of Ontario could be earth-shaking in a great many ways. Dr. Shulman has fathered the bill which is short-titled The Blood Alcohol Test Act, 1968. Officially, it is known as An Act respecting impaired drivers. If and when the bill is ever passed by the Legislature then breathalyser, blood and/or urine tests will become mandatory for all motorists suspected of being impaired while driving their vehicles. In effect, the bill will give the suspected tippler two choices; he can take the test or lose his driver's licence for six months. Last December, the then Justice Minister Pierre Trudeau introduced similar legislation to be enacted by federal authorities. He included the proposed breath-test law in his omnibus bill. The bill died when Parliament was dissolved by Mr. Trudeau after his move to the Prime Minister's chair. Present laws allow a motorist to refuse the breathalyser test and his refusal cannot be held against him in court.
>
> Dr. Shulman said such a bill should have been passed in Ontario years ago regardless of any dissent from persons concerned with the possible infringement of civil liberties.

When I was a coroner in Metro I found that 50 per cent of in-car fatalities and highway accidents involved liquor. That alone, is sufficient reason to pass this bill immediately.

I will not go on. It is a full-page article, but there is one portion here in a separate article which I do wish to read because the one objection that has been made against this type of bill is that we are interfering with civil liberties. I was very interested to see that the Kingston *Whig Standard* did a poll of a number of lawyers in Kingston, including two Crown attorneys, and they responded unanimously. This represents a tremendous turn in the way that lawyers and the legal profession are thinking and the heading is:

> LAWYERS FAVOUR COMPULSORY TESTS
>
> Should the government have the right to demand a motorist to volunteer information which may be used against him at his own trial? Kingston's Crown attorney and four city lawyers each say the answer is "yes". The proposed compulsory blood alcohol test

> legislation now before the Ontario Legislature may cause a stir elsewhere in the province but in Kingston, lawyers of both the prosecution and defence say they rest their case on common sense.
>
> The *Whig-Standard* asked Crown Attorney John E. Samson and city lawyers B. W. Trumpworthy, B. Swaine, H. L. Cartwright and G. M. Steel, to give their views on the proposed law change. As the law now stands, a motorist suspected of impaired driving can refuse a breathalyser test, but under the proposed bill he must submit to the breath, blood or urine test or forfeit his licence for six months.

They then go ahead at some length with the various comments of the Crown attorney—I believe two Crown attorneys and four other lawyers, all of whom spoke in favour of this bill.

So I would like to say to you, sir, and through you, to the responsible Minister, that there has been a tremendous change in feeling toward this type of legislation among the legal profession. Certainly among a good large section of the legal profession—

Mr. J. E. Bullbrook (Sarnia): How can the hon. member say that? Does he say that on the basis of fact?

Mr. Shulman: Yes, I say that on the basis of one Crown attorney and—

Mr. Bullbrook: It is not logical.

Mr. D. M. De Monte (Dovercourt): There are about 30 lawyers in Kingston—

Mr. Shulman: I would say that six of the 30 lawyers in Kingston—the six who happen to be chosen by chance—

Mr. Bullbrook: But the hon. member always generalizes.

Mr. Shulman: Yes, I do generalize—

Mr. Bullbrook: The hon. member always generalizes on the basis of something that he has read. Has he done a consensus of opinion?

Mr. Speaker: Order. Order.

Mr. Shulman: Mr. Speaker, the member has asked a reasonable question. Yes, I have done a consensus of opinion.

Mr. Bullbrook: How many lawyers has he asked?

Mr. Shulman: On this particular subject—the medical legal society had a meeting at which—

Mr. Speaker: Order, order!

The members will please address each other through the chair as is proper in a debate such as this. The exchange of pleasantries and questions in this manner is neither in accordance with the rules nor is it allowing the debate to continue properly.

Mr. Bullbrook: Well, Mr. Speaker, I apologize to you. Sometimes it is difficult to contain oneself.

Mr. Shulman: Mr. Speaker, actually I think the question asked was a reasonable one, even if it did not go through you, sir. I would like to inform the members that at a meeting of the medical legal society in Toronto—which is a society formed of doctors and lawyers who are interested in medical and legal problems—at a meeting where I was present, and at which I believe there were perhaps between 50 and 75 lawyers present that particular night, somewhere over half of them agreed that this was a proper change.

So I would say, through you, sir, to the members, that a sizeable body of the profession as I said before have now—

Mr. Bullbrook: But that is not what the hon. member said before. That is the point.

Mr. Shulman: As a sizeable body of the profession now agree that this change is not infringing on civil liberties or, if it is infringing, it is infringing in such a small way that the benefits which we would receive far outweigh those infringements, it should be brought in. Perhaps next year the government will see fit to introduce such legislation.

Now, I would like to speak briefly about one or two of the departments that I have had the pleasure to criticize this past session. There was a matter that came up in reference to The Attorney General's Department in the past week which related to coroners' inquests and this is a matter in which I have considerable interest. We found that when this matter came up, referring to the death of one Isaac Teichroeb, that inquests are sometimes held in the cases of violent deaths and The Coroners Act is sometimes followed.

This death took place 1½ years ago. It involved violence, it involved a violent death where a worker was burned to death under most peculiar circumstances. No inquest was held for the simple reason that the coroner was never notified. There was never any coroner's investigation and yet what I find disturbing is that we have a Coroners Act which was brought up to date before this death occurred because of the Pat Morgan

case some years earlier where there had been a death not reported under unusual circumstances.

So The Coroners Act was brought up to date and tightened up and what do we have? We have exactly the same situation again where there is a violent death, where the circumstances certainly merit investigation, where there may very well be liability of individuals or a firm involved here. The doctor who signed the death certificate does not bother to report the death to the coroner. Nobody else reports the death to the coroner, and yet when the matter is brought to the attention of the acting Attorney General, there is no suggestion charges are going to be laid against those persons responsible.

The response we get is "Well, it is too bad there was not an inquest because the death was not reported to us." This is not the response the Minister (Mr. Wishart) should give. He should say, "The death was not reported to us so there was no inquest, but we will hold the inquest today and we will lay charges against the persons responsible, the persons who covered this death up so that in future this type of thing will not occur".

This is the response we should get from The Attorney General's Department. He does not show the gumption, the action that is expected from him in these matters, because coroners' inquests can be very important in preventing other deaths.

The other area where I am disappointed in The Attorney General's Department is in relation to a matter that I brought up in my first talk in this House. It involved the matter of two gentlemen who were involved in the theft of a small amount of $5 million—a little matter of forgeries involved there. There were original letters presented by officials in The Attorney General's Department saying it was a forgery and charges could be laid. Nothing was done at that time. When the matter was brought up no explanation was given, no charges were laid.

Another matter was brought up, a man who got out of jail by falsifying medical reports. Nothing was done about that, no investigation was held. We expect a little more equal application of the law no matter who is involved and this is my major complaint against The Attorney General's Department.

I would like to turn briefly to The Department of Health and OMSIP, which is a great step forward in this province, but there are still many problems in its working and they just do not use common sense. I am sorry the Minister of Health is not here, but I have a case here which illustrates the type of problem that comes to our attention and which illustrates that OMSIP needs a further tightening up, a going over by the Minister or someone from outside, so this type of silly thing will not occur. The reason I am bringing this up in the House is that I wrote the Minister involved about it some weeks ago, on July 10 actually.

There are many matters that come to me and I write the Ministers. When I receive a response it is not necessary to bring it up in the House provided they are willing to take some action. Well, this particular Minister is not too good with his mail and he did not answer this letter, and this is why I am bringing this matter up in the House.

On July 10 I wrote to Mr. Dymond as follows:

> Re:
>
> Mrs. E. I. Bertram, OMSIP Contract No. 4018371837.
>
> Dear Mr. Minister:
>
> Through an error at OMSIP Mrs. Bertram did not receive her May premium notice until June 7. She paid her premium by cheque on June 13, but claims for May have been denied because of the suspension of her contract. It does seem unfair that Mrs. Bertram should be penalized because of an error by OMSIP and I would ask that you look into this matter.

Well, there has been no response. I have letters here from The Department of Health medical services insurance division signed by a Mr. K. G. Gore, supervisor, claims edit, and it is addressed to Mr. D. A. McLean, manager of elgibility services, 40 St. Clair Avenue West. Someone happened to send me this letter, but it is rather interesting here because it confirms everything that Mrs. Bertram had said. It is very brief and I would like to read it.

> Refer to the attached copy of an LC-36 REV. No. 3 letter sent to Mrs. E. Bertram on June 25, 1968, by clerk no. 1617.
>
> Please note that Mrs. Bertram received her first premium notice June 7, 1968. She paid her premium by cheque on June 13 at 2195 Yonge Street. Mrs. Bertram received a premium reminder on June 28, 1968, a copy of which is attached. Claims for May, 1968, have been denied because of the suspension of contract No. 318371837.
>
> Would you kindly investigate the suspension of Mrs. Bertram's contract and reply direct to her.

So here we have a situation where OMSIP makes a mistake. They forget to send out the premium notice; they send it out three weeks late; she pays her premium by return mail; OMSIP is aware they made a mistake.

Here is a letter from the senior official in The Department of Health who confirms it is OMSIP's mistake; he writes OMSIP pointing out it is their error and yet in spite of this, in spite of a letter to the Minister, we still cannot get any results. Mrs. Bertram cannot get her bills paid and the doctor says they refused to pay him, therefore she has to pay. So there is something wrong in OMSIP. Anybody can make a mistake, but once the mistake is pointed out there should be a willingness on the part of the Minister of Health and the other officials on down to whoever is handling this in OMSIP to correct the error, and if it is their error they should not penalize someone else.

Now very briefly—I am sorry the Provincial Secretary (Mr. Welch) is not in the House—but I would like to again mention that favourite whom we all love to mention from time to time, Mr. E. P. Taylor. You may recall, Mr. Speaker, that many moons ago when the matter came up of that brewery which does not make annual reports and does not let its shareholders know what is going on—the hon. Minister said that if the details would be supplied to him he would be glad to look into the matter and decide whether charges should be laid. Well, the details were supplied but, sad to say, we are still waiting for the charges. I would suggest that next year the brewery will not make an annual report either—they have been doing this for 11 years now—but it does not seem to matter because apparently some of the people have to obey some of the laws some of the time.

I again say, through you, sir, to the Minister, and I hope he reads it in *Hansard* even though he is not here, for goodness sake, if you are not going to enforce that law, do not enforce it against anyone else and take it off the books, because it looks bad that the rich people of this province can get away with so many varied matters that others cannot.

Now, The Department of Public Works—

Mr. Sopha: How many more has he got to go?

Mr. Shulman: How many departments are there?

Mr. Sopha: Twenty-three.

Mr. Shulman: Well, we will be here a while, then.

I would like now to turn to The Department of Public Works for a moment. I am sorry to see the Minister is not in the House but perhaps he will read about it in *Hansard*.

One of the functions of The Department of Public Works which was not gone into during the estimates, unfortunately, is the matter of safety. One of the duties of the safety division is to go around looking at the various buildings that are owned by the government and see whether they are built safely, whether there is a fire hazard, and they do this job very conscientiously. They go around to the various buildings and when they find something that is a fire hazard they do not hesitate to tell the various departments that it is a fire hazard. There is only one thing wrong; nothing is done about it.

We have a little place about a block and a half from here at 253 Spadina Road. It is called the George Brown college. Last December The Department of Public Works sent up their safety inspectors and the safety inspectors went through and they were pretty appalled and they sent this letter to The Department of Education—The Department of Education is responsible for George Brown college—and perhaps I could quote the letter, it is not too long:

> On Tuesday, December 19, 1967, I made an inspection of the building at 253 Spadina Road, Toronto. This building is owned by Metropolitan Toronto and is leased by the George Brown college, who occupy the second and fourth floors.
>
> On the day of inspection there were no students in this building. During the regular school term there are approximately 130 students attending classes in this building. As the condition of this building violates all and every fire safety regulation, it is impossible at this time to give a complete report and recommendation. These will follow after a more thorough inspection is made. In the interest of fire safety I would recommend that these premises be discontinued immediately for use as classrooms—

and so on and so forth. Well that was in last December—December, 1967.

The Minister of Education (Mr. Davis) is a reasonable man and probably one of the more progressive members of the government, so I thought it would be interesting to see what he did when he received a letter saying: "This building violates all and every fire safety regulation." So I let five months go by and

in May I went up to look at George Brown college at 253 Spadina Road and they had made a change, mind you, they had made a change.

They are still on the second and fourth floors, and it is still a firetrap. Everything is clapboard and masonite, and the place will burn down without any provocation whatsoever; but they have made a change. Before they had 130 students, and now they only have 128 in there, so this is an improvement.

If there is a fire, there will undoubtedly be a lower mortality. That is what is the matter with the department.

I am not faulting The Department of Education, because I have a series of these letters involving many different buildings owned by the government, and I am not going to take the time of the House tonight to read them, but perhaps when we go through next year's estimates I will have the pleasure of going through each department and reading the letters.

I have a series of letters sent out by The Department of Public Works pointing out the terrible hazards in various buildings either owned or leased by this government through the province, and they think that their duty is done when they send out these letters saying: "It is terrible. It is a firetrap, and if it burns down everybody in there is going to be burned to death." Nothing is done.

Something is wrong either in that department or in the other department which files this way and does not care about it.

Now, I am delighted to see that the Minister of Correctional Services is in the House, because I would like to make one or two remarks about his department. I would not want to miss the Minister of Correctional Services.

An hon. member: They are still reform institutions, no matter how you look at them.

Mr. Shulman: There are three matters which I would like to bring up under this department that I find very disturbing. Let me say that there are many things about this department that I find disturbing. There are three matters which I find most disturbing outside of the Minister. The first is the policy—

Hon. Mr. Grossman: The hon. member admits that I disturb him?

Mr. Shulman: Only when he can't answer the questions that I ask him.

The three things that I find most disturbing, and I boil them down to three words, are transfers, family suffering and bonding.

Transfers first of all. This department has a most peculiar philosophy of transferring customers, prisoners, around the province. This is used as a form of punishment and it should not be. I can well understand if a prisoner is in an institution where he has certain privileges, to be allowed outside, or to take training, and he abuses them, then I can understand that he should be transferred to a tougher institution, a place where there are fewer privileges, or no classes, until he is sufficiently disciplined to go back.

But our policy in the province goes far beyond that. Our policy is peculiar in that we will take a prisoner who, let us say, is in Guelph, and he is a bad prisoner. He will be transferred to Burwash, and the tough ones go to Millbrook. All this I can understand. Then suddenly they say in Millbrook that he is too tough for them—send him to Sarnia.

Sarnia is an ordinary jail, and the guards do not have the training of the guards at Burwash or Millbrook, and the facilities are not as good, they are not adapted for holding tough prisoners as they are at Millbrook, and yet they send the men there. They also send them to North Bay, this is a favourite.

Hon. Mr. Grossman: This was all discussed under the estimates.

Mr. Shulman: This matter had not been fully investigated at the time of the estimates, although we were aware then that prisoners had been transferred out of Millbrook, and no reason was given. Some prisoners are transferred hundreds of miles from their families, and questions to the Minister go unanswered as to when the prisoners are going to be transferred, to a jail—I certainly cannot understand why a jail when you have Millbrook available.

Hon. Mr. Grossman: I explained that to the hon. member.

Mr. Shulman: Yes, but not very well.

Hon. Mr. Grossman: The hon. member means he was not satisfied with the explanation?

Mr. MacDonald: That is right, and he has a right to say why he is not satisfied, too.

Mr. Shulman: If the Minister has to put a prisoner in jail, why pick the one that is farthest from his home? We have jails in southern Ontario that are three-quarters

empty, scattered all over this area, and yet they sent 12 prisoners up to North Bay, 10 of whom had their relatives in southern Ontario. This is just unnecessary cruelty. This is objection number one; cutting families and visitors off is a type of punishment which is going to send a convicted criminal out on to the streets when he does go out, and who will head back very quickly into the reform institutions.

We have this great new bill that has been brought in, and we go through the lip service. This is what I object to; they talk beautifully in here and the things that they say are wonderful, but in practice the things that they do are bad.

Mr. Ben: Does the hon. member believe all that?

Mr. Shulman: Yes, I do.

The second matter which I wish to discuss under this department is the effect on families. If we are interested in reform we have to do something about the families which are suffering so needlessly. If the hon. members will forgive me, I am going to read a letter which I received from a prisoner in Burwash this week.

Dear Dr. Shulman:

> I was arrested on February 27, 1968 and placed in custody for a number of crimes. On April 23, 1968 I received a sentence of nine months definite and six months indefinite. Having a wife and children, I realized that I had made a very bad mistake, and therefore feel that it is only right that I should pay for it.
>
> Keeping this in mind, I keep asking myself if it is I or my wife and children who committed these crimes, for this is what has happened to them up to this time.
>
> On April 24, 1968, my wife was informed by the Sudbury city welfare—

She lived in the wonderful city of Sudbury that I have things to say about from time to time:

> —that she would have to move because they would not pay the rent which was $140 per month. She was told to move by the end of the week or they would take her children and put her to work.
>
> After losing her father a few months earlier, and then having me end up here, you can see and understand why she chose to move, even though she did not have anywhere to go. She placed all her belongings with friends, and with the children in tow, began looking. After a week of frantic search she was unable to locate anything, so she returned to the Sudbury welfare. They suggested that she move to Toronto, and after asking my permission, she agreed.
>
> Arrangements were made for her, but when she asked to have our things picked up she was told that there was not enough time.
>
> Because of this, all of our things were lost except a few pieces of clothing belonging to the children. Dishes, linen, my clothing and effects, and all her clothing and effects were some of the things.
>
> After reaching Toronto, she was placed in emergency housing on Richmond Street where all her freedom was taken from her. She was forced to take our children and all our belongings wherever she went.
>
> If you were 110 pounds and had to carry 29 pounds of a baby boy, and hold hands with a four-year-old, and keep your eyes on an 11-year-old, then you would have no freedom either—

Mr. Sopha: Too bad he did not think of that beforehand. Did he?

Mr. Shulman: May I suggest that there is a certain responsibility for the families on the part of society?

> Also, only her rent was paid, and she was not supplied paper and stamps with which to write me.
>
> After a month there, she was phoned by the head supervisor of the buildings who informed her that she could not stay there because she was not a resident of Toronto, having come from Sudbury, and she had to get out. She has tried everywhere for help and all she has gotten thus far have been threats to take her children into a home.

He goes on at some length. This is not going to produce reform, Mr. Speaker. If we are really interested in reform in this province we have to do something for the families involved. Rehabilitation begins before that prisoner walks out of that door. By that time it may be too late. One of the functions of the rehabilitation officer of The Department of Correctional Services should be to look into the problems of these families, or at least, if he is notified of the problems, to take it upon the department's responsibility to see that innocent families are not shoved from pillar to post as this family has been, because the breadwinner was a criminal.

If you are interested in punishment, then by all means punish the criminal, punish the

families, punish the children, bring back the stocks, bring in the whips.

But the Minister keeps saying that we are interested in reform. And I say, if the Minister is interested in reform, then start with the family. He cannot allow them to be punished like this.

Hon. Mr. Grossman: How would the hon. member have dealt with that?

Mr. Shulman: The hon. Minister's department should have rehabilitation officers who should have interceded in Sudbury, who should be willing to intercede with the welfare department to see that city councils do not—

Hon. Mr. Grossman: May I ask the hon. member whether he ascertained whether rehabilitation officers in this particular case did contact the family?

Mr. Shulman: Certainly the prime responsibility was that of the welfare people. The original responsibility was with the welfare people in Sudbury. There is a responsibility on the welfare people in Toronto, but a portion lies on the rehabilitation officer. I am sorry all the rehabilitation officers spend their time with the men, they do not spend it with the families.

Interjection by an hon. member.

Mr. Speaker: Order!

Might I point out to the Minister that this is a debate, and the proper way to carry on a debate is through the chair. Now if the Minister wishes to address his remarks to the member he will please do it in accordance with the rules of this House.

Mr. Shulman: The third matter which I wish to mention briefly under this debate is bonding.

Under the estimates of The Department of Correctional Services I brought up the matter of bonding, and this is a most serious problem in rehabilitation of prisoners. The Minister at that time played down this problem, and said: "You may be able to find the odd case where it does not work out, but we will step in when there is difficulty, and we will straighten things out."

By golly, it was not two weeks after that when this problem came up. The man I am referring to, the Minister knows—we have discussed this at some length. His name is Ron M. I will not give his full name, because he finally has a job and is on the way to rehabilitation, and this was really a tragic story.

This was a man who had become an alcoholic two or three years ago and, as a result of this, he had become involved in crime, he had been sent to jail, and he had reformed. Everyone was convinced he was reformed. The prison guards were convinced, the prison governor was convinced, the rehabilitation officer was convinced, the parole officer and the parole board were convinced. Everyone was sure he had reformed.

He was a car salesman and when he came out of jail he wanted to go back to being a salesman.

So he went from place to place and he was honest—he told the whole story—he admitted that he was an ex-con and most places turned him down because of that.

He finally came to the Ontario Automobile Company who said: "We do not care if you are an ex-con, we will take you on. We will give you a job. There is only one problem, can you get bonded?" He said he thought so, and he applied for bonding.

I was then approached by Mr. Kerr, the man who does the hiring at Ontario Automobile, and I also spoke to the rehabilitation officer for Mr. M. He could not get a bond.

The General Assurance Company said, "We do not bond ex-cons. We are not going to give you a bond so you cannot get a job. Tough luck."

I got in touch with the Minister and he said he would look into it. The rehabilitation officer did his best, too. Two days later I got a lovely letter from the Minister saying everything was being looked after, and sure enough they did get a bond for him. They got a $1,000 bond with another bonding company.

The only trouble is, Ontario Automobile Company needs $100,000 bond. They kept the job open for a week or so, and then said, "Well, too bad, we do not mind taking ex-cons but we will not take ex-cons who cannot get bonded. So too bad for you, you go out and do something else."

Well, this man came to see me and he said, "Am I to go back to crime? Those are the two choices. I can sell cars, but they will not let me sell cars because I cannot get a bond; or shall I go back and break and enter; shall I steal? These are the two possibilities. This company, the General Assurance Company, refuses to give me a bond. Well, what happens?"

This story has a happy ending—

Mr. Ben: May I ask through the Speaker: Why would an automobile dealer require that

a salesman that sells cars be bonded for $100,000?

Mr. Shulman: Yes. I would be glad to explain that. I thought that was rather amazing, too. I did not think he could steal that many cars, but apparently when you are using a demonstrator car, Mr. Speaker, and you run into someone you require this larger bond. They want a $100,000 bond—not just Ontario Automobile, all the companies. Goodness knows why, but they do, and they insist on it.

This story has a happy ending, Mr. Speaker. I was desperate in this case. It seemed absolutely impossible and yet three days later, Mr. M. phoned me to say "I got my bond. I am going to work for the Roy Foss Company. I have got my bond, and I am going to be able to sell cars, and who do you think is at the bottom of it but the General Assurance Company." I was a little amazed at this.

The reason he called me is that he had another problem, that he was not given a licence to sell cars because The Department of Commercial and Financial Affairs has a special investigation on any ex-con and normally, apparently, it takes two weeks. I must say in this case the Deputy Minister behaved very kindly and he rushed it through very quickly, within a day, and the man got his licence and he is now selling cars. I was amazed at why the General Insurance Company suddenly repented and found a soft heart and would give the $100,000 for the Roy Foss Automobile Company, but would not give $100,000 bond when he wanted to work for Ontario Automobile. So I phoned the General Assurance Company to find out what was the answer to this strange mystery. The company said: "Oh it is very simple. We would not give a bond to an ex-con but we gave him the $100,000 bond because Mr. Roy Foss who owns the agency guaranteed the bond."

So here is the problem, Mr. Speaker—and through you to the Minister—until we have something done about this bonding problem you are going to force this type of man back into crime. Here we had by chance a man—I presume his name is Roy Foss; in any case whoever owns the Roy Foss Company—who has done a tremendous public service. Here is a man who really has moved out of his way to prevent this man from going back into a life of crime.

But we do not have many men like that. We do not have the men who have the financial resources to do this type of thing, and until the Minister finds a way of solving this bonding problem—and it has not been solved, this case certainly proves it—you are going to have this type of man who wants to reform coming out into public society and being forced back into crime, and this is probably the most serious problem facing this department.

Mr. Ben: May I ask the member a question? Why would Roy Foss guarantee the bond when he would not need it if he is going to guarantee it? What kind of a bond is it?

Mr. Shulman: I believe there is some regulation, Mr. Speaker—

Hon. Mr. Grossman: The story is not quite the way the hon. member is telling it.

Mr. Shulman: Perhaps under The Used Car Dealers Act it requires a bond, but every used car dealer requires it for his salesmen—we checked back with the association.

Mr. Ben: He is guaranteeing it, in other words he is going to pay it.

Mr. Shulman: He guaranteed it personally, Mr. Speaker. However, that is information we received from the General Assurance Company, not from Roy Foss.

Now, I would like to move on to another department, and this is—if it were not sad it would be ludicrous—The Department of Transport.

The Department of Transport in their wisdom or lack of same have an unsatisfied judgment fund and if someone does not carry insurance they can pay $25 at the time they get their licence and they are given a licence to drive on their car. It is a car licence of course, not a driver's licence.

But just a few weeks ago I learned of a very strange provision in this particular law, and this is in reference to those poor individuals who have paid the $25, who do not carry insurance, and then proceed to have an accident. The particular man I am referring to is a Mr. Wilfred Carberry and he lives at 117 Fern Avenue, and he ran into a most odd situation.

He was driving along in his car at the corner of Lakeshore Boulevard and Leslie Street and another car ran into his rear end. He felt it was the other fellow's fault and he did not worry too much about it because there was not that much damage, so he forgot about the matter.

The police came and investigated it. There were no charges laid, the policeman thought there was apparently fault on both sides. Then suddenly, two weeks ago, Mr. Carberry

received a letter from The Department of Transport saying "Your licence to drive is cancelled. There is $297 damage done to the other car you were involved in an accident with. We have paid for that damage under section 5 of the Act and until you pay us back we will cancel your licence."

Well, this did not make any sense to me, so I got in touch with The Department of Transport and they said section 5 of the Act says that: "Without any court case, without any police charges, without any civil case, the department is entitled to pay out any sum of money to a person involved in an accident if the other person involved does not carry insurance but has paid this special $25 fee, and we can carry this out without holding any hearing. All we have to do is send a registered letter to the person. Whether or not he gets it is his business, all we have to do is send out the registered letter."

Well, I said—

Mr. Sopha: A very just provision that was long wanted in this province.

Mr. Shulman: The member for Sudbury thinks that this is a very just provision. Let me tell him the circumstances in this particular case.

In this case a registered letter was sent out, but unfortunately the person who answered the door and signed for that registered letter turned out to be a ne'er-do-well relative of Mr. Carberry who signed for it thinking there might be money inside. He then opened the letter, found it was just this silly thing, threw it away, and then left—he was visiting there. He is now in jail, so it is very difficult to take any recourse against this particular man.

Carberry knew nothing about this whatsoever. The first thing he knew about it was when he received this letter saying: "Your licence has been cancelled, turn it in immediately."

So I wrote a letter to the Minister of Transport (Mr. Haskett). It did seem unfair that if a man was not to blame in an accident, without any proof of liability, he should be forced to lose his licence or else pay out this large sum of money—which in this case the man does not have. I got a letter back from the Minister which reads as follows—it is dated July 8; this is fairly fresh:

Dear Mr. Shulman:

Re: Mr. William Carberry. Your conclusion that Mr. Carberry was not at fault is at variance with the police report for it was necessary that our officials be satisfied that here was liability before meeting the claim of Mr. Rapos.

—and so on.

Yours truly, Irwin Haskett.

Well, I am always interested in police reports—and I do not get a chance to see many these days, Mr. Speaker—so I went down to police headquarters on Jarvis Street and I paid them the $5 and I got a copy of the police report, which I have here. And I thought it was rather strange that if the police report said that Mr. Carberry was at fault, you would have thought they would have laid a charge. Well, the police report does not say Mr. Carberry is at fault.

I rather wonder what police report the hon. Minister was referring to. It certainly could not be the police report of this accident. In fact, I think rather the police officer —perhaps it was habit from his experience— but he referred to the drivers of both cars as "accused No. 1" and "accused No. 2. But one must presume that this was his habit.

He lays no responsibility in this report whatsoever. In fact, it looks from the report as though he thought both drivers were partially to blame, for, as Mr. Carberry was approaching a green light it turned orange and, instead of slamming on his brakes, he stepped on the gas to speed through it. Another car, which was stopped at a red light, without waiting for the delay—there is a two-second delay—but apparently without waiting for that two-second delay, started through the intersection and struck the rear of Carberry's car. But nowhere in this report does it say anything about who was responsible, or about liability—nowhere.

This is an unfair provision of the Act. If you are going to have this type of provision, whereby a man's licence can be cancelled, at least allow him a hearing. At least make sure that there is personal service of the notice upon it.

Here, a man—who I am convinced is absolutely innocent of any liability—has suddenly lost his licence. He earns his living with his car, and this man is in very serious difficulty at the present time, because he does not have this $200 or $300; this is extremely unfair.

Mr. Sopha: We suffered the other type for many years.

Mr. Shulman: The member for Sudbury has made an interjection, Mr. Speaker.

I would like to suggest to the member, it would not be difficult to hold a hearing in this case. If you are not going to have a

court case, at least hold a hearing and give the man a chance to speak up on his own behalf.

Mr. White: This speech must be nearly over. The NDP are returning to the chamber.

Mr. I. Deans (Wentworth): We are just starting!

Mr. M. Makarchuk (Brantford): It is the second shift.

Mr. Shulman: I think I should say a word about the most serious problem that is facing this province today—housing, Mr. Speaker.

The housing problem, unfortunately, has not been solved in this province, and I received a letter just the day before yesterday, which spells it out so very well. With your indulgence, I would like to read it into the record. It is from a Mr. John Windsor who lives, of all places, in Bramalea, at 25 Workman Drive in Bramalea. His letter was dated July 3:

Dear Dr. Shulman:

I have a grievance which is to me a complaint which I would appreciate your looking into.

Here in Ontario they have a scheme which is called Home Ownership Made Easy.

I have recently returned from Britain, this January, and I am at the moment working for a Canadian company known as Canadian Wire. After heralding the praises of Canada to my wife, I now feel compelled to turn to you, as a Canadian citizen, for help. I will explain why.

My salary at the moment is $95 a week as a truck driver with the above company, and my wife has a salary of $80 a week. But applying to Home Builders, Bramalea Consolidated Developments, we were told that our combined salaries would enable us to purchase a semi-detached new home here in Bramalea. This is some eight weeks ago.

We would be required to put down a down-payment of $2,000, which we were able to do, and I received an acceptance letter from the builders some five weeks ago, stating that they had accepted our bid and that I would hear from the mortgage company.

After waiting some time, a week or two, I called the builders and they assured me not to worry, everything would be fine. As you will appreciate, every weekend we were watching the house grow and we purchased various articles for our new home to be, and we were both very happy at the thought of owning our own home.

Last Friday, June 28, 1968, we were informed by the mortgage company, the Bank of Nova Scotia, Bramalea, that our salaries were not sufficient for them to accept us, even for a 30-year lease.

This to me is very strange. I have been in touch with the bank and they inform me that the fault lies with, and I quote, "Bramalea Developments," by not putting in the advertisement in the newspapers the minimum salaries people require to purchase a home. This is a false misrepresentation.

I feel, in all honesty, that this is a terrible way of doing business with people, as the land on which the house is built on is leased to whoever purchases the home from the Ontario provincial government.

It would seem to me that this home ownership made easy is not, and I repeat not, for the average guy, but perhaps the junior executive class. If this is so, I would like them to state this in their advertisement. The Bank of Nova Scotia told me that this has happened, not only to ourselves, but to many others.

Yours very truly,

John Windsor.

That letter sums up really the problems in the housing situation, even with HOME—home ownership made expensive, home ownership made easy. Call it what you will, it has not come close to solving the problem of people earning a reasonably good wage.

Here is a family; both adults are going out to work; they are bringing home a good take-home wage. They save up a $2,000 down payment, and they cannot buy a home. Now, this is not proper in this province of opportunity.

The other day, Mr. Speaker, under the debate for The Department of Commercial and Financial Affairs, I spoke at some length about timely disclosure. I was rather pleased to see in the *Globe and Mail* of Friday, July 19, some new developments that occurred in that particular field in the United States.

You may recall at that time I asked the government and the Minister to bring us up to 1934, which is when the United States government insisted on timely disclosure. We have not quite got around to that yet. And there have been some new changes

which have occurred in the States, which have made timely disclosure, at least down there, a very minor thing of the past. We now have a new policy of full disclosure.

Perhaps I could quote this from the *Globe*:

> The board of governors of the New York stock exchange has voted to expand the exchange's timely disclosure policy for their list of corporations to include major corporate developments under negotiation or in the planning stage.

This is something which is just—we do not tell them even after it is done up here. But now the US is going to insist on the shareholders being informed when the negotiations are going on.

> The board said yesterday that to avoid creating an unfair market for a corporation's securities through leaks of information, an immediate public announcement of a pending development should be made once discussions extend beyond senior management. As negotiations leading to mergers, aquisitions and other major developments often require the use of outside consultants for business appraisals, tentative financing arrangements, market analysis, engineering studies, and to survey attitudes of large outside holders, availability of major blocks of stock and other matters—

And it goes on at some length here to point out that it is not fair that these person should have advance knowledge of developments that are occurring in a corporation, and once negotiations reach this point where it is beyond the immediate insiders that the shareholders must be informed. Here we do not even have to tell them after negotiations are completed.

So I would like to suggest to the government, through you, sir, that with this new staff in the United States, this is going to be one more force preventing funds from coming up to Canada. It is going to discourage individuals and corporations from investing in corporations here in this province. when they can invest in corporations in the United States where they will know what is going on. It has become even more urgent that this Minister, who I am sorry to say is not in the House tonight, bring in the proper legislation to make these changes.

To illustrate the bad type of security legislation we have here, some three weeks ago I asked the Minister about a stock called Pyrotex which, at the time, was trading in Toronto at something like $7.50 or $8. It was very obvious that this stock was not worth anywhere near $7.50 or $8. Today, some three weeks later, it is now trading at 30 cents. This—

Mr. Sopha: How much did the hon. member lose?

Mr. Shulman: I make a policy, Mr. Speaker, that if there is a matter which is to be discussed in this Legislature, I make no investment in that type of security. This is a very good policy which perhaps should be followed by everyone else in the House.

In answer to that interjection: It would have been very easy to make a great deal of money, actually.

Mr. N. Whitney (Prince Edward-Lennox): Mr. Speaker, on a point of order, I wonder if I might ask the hon. member a question?

Mr. Shulman: Certainly.

Mr. Whitney: Listening over here, in the remarks the hon. member made, I was not sure whether he said "exposure" or "disclosure." If it comes to exposure, we, a few years ago, had a member for Wellington county who, under critical conditions, said that he exposed himself all around this province and nevertheless, never did a bit of harm.

If it comes to disclosure, just the other day we had the hon. member for Humber who suggested certain remedies on disclosure. So I would like to be clear just which the hon. member said, exposure or disclosure, and I would like him to enlarge on it.

Mr. Shulman: I would like to say that timely exposure is very pleasurable, Mr. Speaker, but timely disclosure is what I am talking about.

Pyrotex represents everything that is bad in our Canadian securities laws. We had a company which had really no value; they were digging a piece of moose pasture in somebody's back yard which was being promoted very expensively through payments of rather large sums of money. And yet, they were doing this so openly in Toronto that a broker called me up and said: "Can you not do something to stop this disgrace?" I had to get up in this House and ask the Minister to begin an investigation which finally stopped this type of thing.

Well, Pyrotex is not the only one. We have many others, most of them are not as blatant as Pyrotex, but surely Ontario should be known not as the province or the jurisdiction

from which the Pyrotexes of the world are sold. It should be known as where you can invest your money safely. We should have as good a reputation as other jurisdictions and so once again, through you, sir, to the Minister, bring in proper legislation.

Mr. Sopha: What does the hon. member say about the Great West Saddlery Company?

Mr. Shulman: I do not think, Mr. Speaker, this is the occasion for me to give tips to the member for Sudbury, but if he would like to speak to me in the back hall I would be glad to discuss it.

Mr. Singer: Oh no. He wants the hon. member to tell him here.

Interjections by hon. members.

Mr. Speaker: Order, order!

Mr. Shulman: Well, now—

Mr. Sopha: Some of my constituents are disturbed about it. What does the hon. member think? He is an expert.

Mr. Whitney: Tell us.

Mr. Singer: Speak up.

Mr. Speaker: Order, order!

Mr. Shulman: Mr. Speaker, a few moments ago I said that we require very high standards of morality in this House. For my part, and I think all the members on this side of the House attempt to follow this, in the case of Pyrotex it could have been a very easy thing before getting up in this House to go and sell a few thousand shares short and make a huge sum of money with no problem. But this would have been very unethical. I would like to think that no one in this House would do something like that.

I think it is very important to members of this House particularly, if they are members of the legislative council, to bend over backwards so that there should be no suggestion that they are doing anything improper. I am not referring to illegal acts, I am referring to legal acts—

Mr. White: The hon. member is the only member in this chamber that sold the Canadian dollar short.

Mr. Shulman: To make certain—

Interjections by hon. members.

Mr. Sopha: For the sake of accuracy, there is no legislative council.

Mr. Shulman: For the sake of accuracy, may I change that word to the Cabinet.

There is a matter which I brought up here in the House some weeks ago and—

Mr. White: That is true, is it not?

Mr. De Monte: Why bring it up again?

Mr. Shulman: Because I did not discuss it. I asked him questions. I got some answers and now I am going to give my comments about it.

The matter has to do with the subdivision of land in Oakville—

Interjections by hon. members.

Mr. Speaker: Order, order!

Mr. Shulman: I confess, Mr. Speaker, I did go on TV in the States and say the Canadian dollar was weak; and it was weak. However, I do not think that has too much relevancy. One thing I will say, what I have done has been made very public. I did not hide it too much on those particular television shows.

This particular matter involves a subdivision of land in Nottawasaga township and this particular Minister—

Mr. Singer: The hon. member said that four times. Get on to something new.

Mr. Shulman: Yes, if the hon. member will be patient, he will get something new.

This particular Minister sent a letter which I have here, it is dated November 22, 1966 and I just wish to quote one paragraph:

> At the outset I suggested that the planning board and council visualize the kind of municipality and area Nottawasaga could and should be 30 years from now and what its particular role in the whole region can best be and draw a word picture thereof on the official plan. I suggest that it be along the lines of a picturesque, fresh, green mural section of land.

And he goes on from there. Nothing wrong with that at all. Wonderful sentiment.

This is one of the complaints I have against the government. When they speak, they speak wonderfully; when they write, they write wonderfully; when they act, they act not quite so wonderfully. This was not a new sentiment of this particular Minister. I have his maiden speech here in front of me. I quote again:

> Mr. Speaker, I am a supporter of a government that attends to the planning of the future of the province in all aspects.

One of the chief of these is the education of the people and thoroughness and planning has been the approach of this government in this respect.

A year later this particular Minister came out to the local council and he made a very interesting speech in which he said that these areas must remain rural and he urged them to maintain the rural nature of this land but, unfortunately, he did not behave as he spoke. Once again, actions and speech were a little different. I have an editorial here from the Oakville *Daily Journal-Record*—

Mr. Singer: The hon. member read that.

Mr. Shulman: No, I did not read that.

Mr. Singer: Did he not read that?

Mr. Shulman: This is a new editorial. This one is brought out in reply to criticism of one of the council women in Oakville. I would like to just quote from the article:

> With his right hand, the Minister asked the people of Nottawasaga to take one course of action but at the same time, where the opportunity presented itself, with his left hand he took a different course of action for himself.

This was where hundreds of acres of land were separated into numerous parcels just previous to the final reading of Bill C89. It is the double standard I deplore.

And the last paragraph in this editorial is as follows:

> Municipal politics today need more public watchdogs—referring to Mrs. McCarther who brought this out—and fewer rubber stamps. We trust that even Mr. Kennedy would agree with us on that point just as he may also deplore double-talking politicians who do not carry out in practice what they preach in public.

I do not wish to belabour this point, Mr. Speaker, but I would like to suggest that being a member of this legislative assembly, the dignity and the stature—

Mr. Singer: Is the hon. member making this charge?

Mr. Shulman: Yes, I am making this charge. The Minister spoke one way and behaved in another.

Mr. Speaker: Order, order!

I would point out to the member for Downsview that I have said several times this evening that debates will be carried on here properly, in accordance with the rules and not directly between members, but between the members and the Speaker and the members. I would ask that he follow those rules of which he is well aware, having sat in this House for many years.

Mr. Shulman: All I really wish to say, Mr. Speaker, is that I am not interested particularly in individual cases. We, as members of this Legislature, represent the people of this province and whether or not we wear our shirtsleeves or come in here in our shorts or wear a tie, is really so irrelevant.

This is not what gives us dignity. What gives us dignity is behaving above reproach and this is the way everyone in this government, on all sides of the House, should behave. If we are going to participate in a debate on any matter in this House, we should divorce our personal interests from that matter.

Mr. Singer: Why does the hon. member not bring him before the Bar? He is a terrible Minister, bring him before the Bar.

Mr. Shulman: Mr. Speaker, I think that perhaps this is a very spirited debate tonight.

Mr. Singer: Bring him before—

Mr. Shulman: I am sure you will be delighted to hear I am coming close to the first half of—

Mr. Singer: Charge him with being corrupt.

Mr. Shulman: Mr. Speaker, I would like now to turn to the situation of the insurance companies which I discussed in some detail under The Department of Financial and Commercial Affairs.

When I was discussing health insurance, I was rather critical of British Pacific company and the Allstate company. British Pacific had sold that peculiar policy where you had to have a car accident inside your house before you could collect and Allstate had all sorts of funny gimmicks to avoid paying off on their policies.

Allstate have now given their reply. Mr. Walker, the manager of Allstate said—and I quote:

> Kazinsky had admitted in a statement signed by him that he had an ulcer condition before issuance of the policy. If he had indicated this we could have provided him with a modified policy which would have provided for some insurance. As the

> policy was declared void since the inception, the company would have refused to pay the $480 for the nose operation, and we had asked Kazinsky for the return of $289 in the letter announcing the voiding of the policy, but we did not press for it.

The point is that he states that this policy was cancelled because Kazinsky had admitted, in a statement signed by him, that he had an ulcer condition.

This is untrue. I have gone through the complete file at the Allstate company. There is a letter—an unsigned letter—to which I referred earlier.

But I am rather pleased by their statement, because now the Allstate company has gone on record. They say: "This is the reason we cancelled the policy."

Therefore, through you, sir, to the Minister, once again I am asking this government to hold a hearing in this particular case to determine who told the truth.

If Allstate can produce the letter they talk about they will get all sorts of profuse apologies. If there is no such letter—and I submit that there is no such letter—if they are unable to submit such a letter, then their licence should be cancelled and they should not be allowed to sell insurance in this province.

I feel very strongly that a hearing should be held, and if not, we are going to be having many more cases of this nature in this next year.

Well, having concluded my preliminary remarks, I would now like to turn to the Budget. I realize that it is highly unusual for a member to discuss the Budget during the Budget debate, but I had thought that a few words might be in order.

I find that the interesting part of the Budget is not the front half that the Minister reads, but the back half that nobody reads. Once again, it reveals that the government's piorities are not the priorities which many of us believe require first call on funds available.

On page B-15 which is a breakdown of the expenditures of the government, we find that four per cent of the money we take in goes in payments to persons; 17 per cent goes to highways; 20 per cent in overhead to keep the wheels turning.

On page C-7, we find the way of raising the money. More money is now raised in sales tax—by some 50 per cent—than is raised by corporation taxes; and more money is raised in gasoline tax than through corporation taxes. This is surely a wrong emphasis.

Surely we should be raising most of the money where it hurts the least, and that is from the corporations. As you look at the figures from 1964 to the estimates for 1969, you find that the corporation tax is staying much the same, but the sales tax has doubled in four years, and gasoline tax is up by 50 per cent. They are taking the money from the places where it hurts the most instead of where it would hurt the least.

The whole emphasis of raising the money is wrong, and the whole emphasis on spending the money is wrong. When we look to spending, we find some $452 million to be spent on highways next year, compared to health which will get only $332 million; municipal affairs, with all your grants, is only getting $225 million; social and family services, away down, at $121 million.

The emphasis is wrong. The government is raising it wrong and spending it wrong. That is what is wrong with this Budet.

Now, Mr. Speaker, I would like to conclude—

Some hon. members: Hear, hear!

Mr. Shulman: —but they will not let me, on a lighter note, by relating, and it is very brief, my misadventure during this session with a certain Toronto newspaper.

The publisher of the *Telegram* and I had, for the last few years, what my psychiatrist friends describe as a love-hate relationship. We went through the love relationship phase 6 years ago when I worked very hard to elect the publisher to the House of Commons from Spadina riding, and he used his small influence with the Conservative government to seek my appointment as chief coroner. Fortunately, he had more influence with the government than I had with the people of Spadina riding.

Well, sad to say, the publisher and I are not now in the love phase of the relationship. I am afraid that he is not too pleased with my political activities. Last week I made a speech about auto insurance, and I was surprised to read in the next day's *Telegram* that one of the hon. Liberal members had challenged me to repeat my speech outside of the House. I was quite willing to do this.

Interjection by an hon. member.

Mr. Shulman: Mr. Speaker, do you think you could make the member for Downsview keep quiet for about two minutes?

Mr. Singer: The hon. member asked to have him brought before the Bar of the House, and then he backed down.

Mr. Shulman: That is true.

Mr. Speaker: Order, please!

Mr. Shulman: If hon. members will be patient, they will all be clear on the matter.

Interjections by hon. members.

Mr. Speaker: Order, I have pointed out to the member for Downsview that he has been around here long enough to know the correct way to behave, and I would ask that he do so for the remainder of the evening.

Mr. Shulman: I was quite willing to repeat my speech outside the House, but I could not recall any such challenge, nor was it recorded in *Hansard*. I did not think that the matter was important enough to rise on a point of privilege, but I did mention it during the next day's continuation of my auto speech and this produced a rather strong and inaccurate article in the Toronto *Telegram* in which I was described as "snarling in the House". Perhaps the members will agree that among my various qualities, obnoxious or otherwise, "snarling" is not included.

I am afraid I then made my appeal to the Speaker, to have the publisher called before the Bar of the House. While the Speaker considered my request, I was informed by an hon. member that he had, indeed, issued his challenge to repeat a portion of my speech outside the House.

The same day, I received a lovely letter from Mr. John Hudson, public relations manager at the *Telegram*, which contained some lovely compliments. I had the pleasure of showing you this letter, Mr. Speaker, in which he invited me to choose any topic and to discuss it on a radio programme to be sponsored by the *Telegram*. Well, I was pleased. I thought that the publisher was making amends. I immediately wrote to you, Mr. Speaker, you may recall, and I said:

> Last week I rose in the House to complain of reporting on the *Telegram* of July 9, and 10. The member for Humber has since informed that he, in fact, had made the statement reported on July 9, and in view of this, and in view of a letter received today from the *Telegram* which they refer to me as quote: "An outstanding public figure in our country".

I like that line, may I say that again?

> In which they refer to me as "an outstanding public figure in our country," I wish to withdraw my request that the publisher of that newspaper be called before the Bar of the House, even though there has been no explanation for the article of July 10.

Mr. Speaker, imagine my shock when the *Telegram* followed your statement in the House with an indignant article in which the publisher said that he certainly had sent no such letter to me, and did not know of anyone else in the *Telegram* who had. It appears that there is a certain lack of communication in that newspaper.

Well, Mr. Speaker, I related this sad story to my psychiatrist friend, and he said: "You have now learned a great political truth. You may love a publisher, you may hate a publisher; but you must never fight a publisher. They always have the last word, and this is known as Bassett's law."

Thank you.

Mr. Singer: Is that all?

Mr. G. R. Carton (Armourdale): Mr. Speaker, I know that the hon. member for High Park (Mr. Shulman) has a sense of humour, a keen sense of humour, and I trust that he has; but in case he does not, I apologize beforehand for the remark I am going to make. I could not help but reflect, as I spent many years on a farm during my youth and as I noticed him flailing his arms and taking the water, I reflected that it is the first time I have ever seen a windmill run by water.

Mr. D. C. MacDonald (York South): That is a pretty old one.

Mr. Carton: Mr. Speaker, I thought perhaps at first I might explain the reticence, apart from a basic natural shyness, with which I enter into debates in this House. It stems from the early days in my membership here, when I spoke to the Prime Minister (Mr. Robarts) and asked him how often I should or should not participate in the debates. He replied: "Gordon"—and this is a very wise reply—he said: "Gordon, it is better that the members of this House wonder why you do not speak, than to wonder why you do." I have tried to follow this through, Mr. Speaker.

Also, sir, before I get involved in my Budget speech, there is one piece of information I would like to pass along for the consideration of those responsible for the rules

in this House. This concerns itself with the custom of a certain primitive race in Africa, and realizing the strain that is placed on the orator and the strain that is placed upon the audience by long speeches, it is their custom that the speaker must stand on one leg while giving his address and the moment that the other foot touches the ground, the address is over.

Mr. MacDonald: That certainly would have cut the hon. member for Durham (Mr. Carruthers) out this afternoon.

Mr. Carton: This is simple, Mr. Speaker, but it is certainly worthy of consideration.

Now, Mr. Speaker, as I rise for the first time in this current session—

Mr. Speaker: Perhaps the member might find this a convenient time to move the adjournment of the debate and—

Mr. MacDonald: The hon. member's foot touched the floor.

Mr. Speaker: —and go into his address tomorrow so that he will be uninterrupted by the overnight adjournment.

Mr. Carton moves the adjournment of the debate.

Motion agreed to.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, tomorrow we will continue with the Budget debate. That is tomorrow morning at 10:00.

Hon. Mr. Rowntree moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:55 o'clock, p.m.

No. 163

ONTARIO

Legislature of Ontario Debates

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First Session of the Twenty-Eighth Legislature

Tuesday, July 23, 1968

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JULY 23, 1968

The House met at 10:00 o'clock, a.m.

Prayers.

Mr. Speaker: Petitions.

Presenting reports.

Motions.

Hon. J. P. Robarts (Prime Minister) moves, seconded by Hon. C. S. MacNaughton (Provincial Treasurer):

That a select committee of this House be appointed to continue the review of the terms and provisions of the election laws and any related Acts and regulations, in the light of modern needs, practices and concepts, for the proper presentation of those qualified to vote, and to report its findings and recommendations to this assembly.

And that the select committee has authority to sit during the interval between sessions and has full power and authority to employ counsel and such other personnel as may be deemed advisable and to call for persons, papers and things and to examine witnesses under oath, and the assembly doth command and compel attendance before the said select committee of such persons and the production of such papers and things as the committee may deem necessary for any of its proceedings and deliberations, for which purpose the honourable the Speaker may issue his warrant or warrants.

And the said committee to consist of 13 members to be composed as follows:

Mr. Dunlop (chairman), Messrs. Apps, Belanger, Bernier, Carruthers, Ferrier, Hodgson (York South), Newman (Windsor-Walkerville), Rollins, Singer, Smith (Simcoe East), Smith (Nipissing) and Young.

Motion agreed to.

Hon. Mr. Robarts moves, seconded by hon. Mr. MacNaughton:

That a select committee of this House be appointed to continue the enquiry and review of the law affecting the corporations in this province as reported on by the select committee of this House appointed on June 22, 1965, and re-appointed on July 8, 1966, and in particular, to enquire into and review the law relating to mergers or amalgamations, the rights of dissenting shareholders in the event of various fundamental corporate changes, the purpose, function and scope of the annual return, the field of corporation finance, the law relating to the protection of the creditor, and the dissolution of the ordinary commercial corporation in Ontario.

And further, to enquire into and report upon such specialized types of corporations as insurance companies, loan and trust companies, corporations without share capital, credit unions, finance and acceptance companies, co-operatives, and extra-provincial companies, together with the legislation of other jurisdictions relating to the same matters.

And that the select committee has authority to sit during the interval between sessions and has full power and authority to employ counsel and such other personnel as may be deemed advisable and to call for persons, papers and things and to examine witnesses under oath, and the assembly doth command and compel attendance before the said select committee of such persons and the production of such papers and things as the committee may deem necessary for any of its proceedings and deliberations, for which purpose the honourable the Speaker may issue his warrant or warrants.

And the said committee to consist of 13 members to be composed as follows:

Mr. Carton (Chairman), Messrs. Braithwaite, De Monte, Henderson, Johnston (St. Catharines), Lawrence (Carleton East), Meen, Price, Reilly, Renwick (Riverdale), Rowe, Shulman and Sopha.

Motion agreed to.

Mr. D. C. MacDonald (York South): Mr. Speaker, before we leave the matter of committees, on many occasions the issue has been raised of a committee that would maintain a continuing review of orders in council. This proposal now has the support of Mr. McRuer.

I was wondering if the government has given any further thought to this and what their conclusions are.

Hon. J. P. Robarts (Prime Minister): Mr.

Speaker, we went into this matter very thoroughly as a result of some questions raised by the former member for Woodbine, Mr. Bryden. Following that enquiry there was a pretty complete statement made here in the House and, as far as I am concerned, that is the position of the government. The position has not changed since that statement was made.

Mr. McRuer had some comments to make in this regard. Of course, his report is under careful scrutiny at the present time. It may be that some changes might be contemplated, but at the moment, nothing has been settled and the position, as I say, remains as it has been.

Mr. Speaker: Introduction of bills.

The Provincial Treasurer has a statement.

Hon. C. S. MacNaughton (Provincial Treasurer): Mr. Speaker, I wish to announce that, because of the postal strike, an extension of time will be given to those vendors who have not been able to make their returns for June under The Retail Sales Tax Act.

The extension will cover the period of the postal strike. Retail sales tax payments for the month of June are due on July 23, today.

Vendors who wish to file their returns immediately may deliver them to their district retail sales tax office or to any branch of the province of Ontario savings office. As of this morning, the branch is short some $22 million in June returns from about 40,000 vendors.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, if I might just ask the Provincial Treasurer: Has his office, upon enquiry, informed vendors that they must in fact make their returns for June and that there would be no accommodation because of the mail strike? Is this announcement a a change in that policy?

Hon. Mr. MacNaughton: No, Mr. Speaker, I would say to the hon. leader of the Opposition that this is a position that has emanated because of the strike. Vendors will not be penalized for late filing, because filing monthly, as is normally required, is a practical impossibility.

This is simply to get the word to vendors that they will not be penalized and to offer them these alternatives if they wish to make payments through the facilities that can be made available.

I made references to the sales tax offices and they are located fairly strategically throughout the province, as are the provincial savings banks.

It was felt desirable not to extend other facilities for this purpose, in view of the situation, but it does make it possible for them to comply to a considerable extent.

Now that the member has asked me, I might say that, if the postal strike lasts very long, the normal anticipated cash flow upon which the Treasury of the province depends, will be very, very seriously impaired.

Mr. Nixon: The Treasury's credit is still good for a while.

Hon. Mr. MacNaughton: Well, it is still costly!

Hon. J. R. Simonett (Minister of Energy and Resources Management): Mr. Speaker, I have the answers to questions 822 and 827.

Question 822 was asked by the leader of the Opposition: What plans has the Minister to assist the 75 employees at the glue factory in Brantford who will be unemployed following an antipollution order of the OWRC?

I understand, Mr. Speaker, that these men are still employed, but if the company does not comply with the order of the OWRC, they will be out of employment shortly.

I would suggest, sir, that they register with Canada manpower or perhaps take it up with some other department in the provincial government.

Mr. Nixon: They will find that pretty helpful.

Hon. Mr. Simonett: And the answer to 827, asked by the hon. member for Cochrane South (Mr. Ferrier): Is Ontario Hydro using rainmakers in northeastern Ontario that are contributing to the abnormal amount of rain in that part of the province?

The answer is "no". Ontario Hydro is not guilty.

Hon. Mr. Robarts: Mr. Speaker, before the orders of the day, I would like to table answers to questions 7, 22, 23, 24, 25, 26 and 45 all of which are on the order paper. (See appendix, page 6221)

Then the hon. member for Grey-Bruce (Mr. Sargent) asked me some days ago about a sentence imposed upon a young lady for shoplifting. I undertook to investigate this and I find that she pleaded guilty to the charge when it was raised.

She apparently declined an offer by the magistrate that the case be adjourned in order that counsel might be provided for her. Before she was sentenced, the magistrate asked her mother, who was in the courtroom, to make any statement she might like in regard to the matter. Her mother really did not add very much to the proceedings and the imposition of the sentence is entirely within the discretion of the magistrate. It could have been appealed, of course, but by the time the matter became public, the sentence had been served and the incident was, therefore, closed. But the magistrate was acting within the powers given to him, in exercising his own discretion.

Now, sir, on a matter of personal privilege. I seldom rise on such matters in this House, but in this morning's *Globe and Mail*, on the front page of the second section, there is attributed to me—in a direct quote—words that were said by my hon. friend from Carleton East (Mr. A. B. R. Lawrence)—

Mr. Nixon: And the Premier does not agree?

Hon. Mr. Robarts: —and in view of the fact that it is a very direct quote it must have been a misprint because I know the reporter who wrote it and he is very accurate in most cases, so that I would say something slipped somewhere. However, I feel that, inasmuch as it is a very direct quote, that both for the sake of the other hon. member and myself, I had better set the record straight.

Mr. V. M. Singer (Downsview): Does the Premier want to bring anybody before the Bar of the House?

Mr. I. Deans (Wentworth): Mr. Speaker, I wonder if the Minister of Labour has yet been able to receive a more comprehensive answer to the question that I asked on July 19? He said he was going to look into it further and report to the House.

Hon. D. A. Bales (Minister of Labour): Mr. Speaker, I think what I really said was I would look into it and report to the hon. member; and yesterday afternoon I dictated a letter which he will receive this morning.

Mr. Nixon: Mr. Speaker, before the first order is called, I wonder if the Minister of Education could respond to questions I have put to him earlier.

Hon. W. G. Davis (Minister of Education): Mr. Speaker, I understood that somebody had been in touch with the leader of the Opposition to answer these questions as I did with one or two other members. As I recall the questions, one related to Ryerson polytechnical institute and the resignation of Mr. Carter and Mr. Armstrong and whether the Minister would care to make any comment, Mr. Speaker. As I recall, the press made statements or explanations as to their resignations and I cannot add anything to their statements.

With respect to the delay in the expansion programme at Ryerson, I understand that part of the reason at least for the delay is the magnitude of the programme and the need to reorganize the internal administration of the institution to deal with the expansion. I should also point out that the institute did some 16 or 18 months ago acquire substantial additional property south of Ryerson belonging, I believe, to the O'Keefe Brewery Company whereby they were able to renovate and provide for substantial increase in enrolment at the institute. While the delay of the new plant, of course, is of some concern, nonetheless the institution will be able to handle additional numbers of students through the renovations that are being made through the other property acquisition.

In respect to the second question asked by the leader of the Opposition, relating to the student awards programme, I will not read the question again, but the answer I shall provide was, I think, made available to the public last Friday. Now I want to make sure there is no misunderstanding because I think the leader of the Opposition's press release really indicated some slight misunderstanding of the situation. I shall attempt to answer the questions in the three parts.

Contrary to what the hon. member has said it is possible for a student previously enrolled in an Ontario university, who had a full-time job for 12 months prior to such enrolment, to continue to receive student assistance under the age of 21 if their personal and family resources are insufficient to meet their total educational needs. In 1967-68 students in this category were treated as independent students. They are now treated as dependent students in an effort to provide an equity of treatment with those thousands of other students under the age of 21 whose parents are expected to bear their share of the cost of their children's post secondary education.

The answer to the second section of the

question which relates to the request for parents or guardians to complete certain items of the application form for such students becomes, I believe, self evident, Mr. Speaker.

The normal procedures of the Ontario student awards programme allows for the review of any application where a student feels such is required. Such a review is carried out within the terms of the programme as they have been established for the 1968-69 academic year.

In conclusion, Mr. Speaker, in reply to this question, might I emphasize that changes in the regulations for the student awards programme in 1968-69 were made only after extensive consultation with student award officers in post secondary institutions across this province. They were made in an attempt to ensure fair and equitable treatment for the anticipated 50,000 applicants within the resources available. In this regard it is felt that a decision by a parent not to assist his son or daughter should not in itself remove the obligation from that parent to do so within the limits of his financial ability. Were it otherwise, every parent would be justified in expecting the province to bear the full cost of educating his children at the post secondary level.

Mr. Nixon: Mr. Speaker, may I ask a supplementary question of the Minister? Are we to understand then in the cases that I put specifically to the Minister in the third question—I did not refer to them by name—where the parents will not assist and the students have had province of Ontario student award assistance in the previous years, that they will get no assistance this year because the parents could help if they would?

Hon. Mr. Davis: Mr. Speaker, it will be the same as in other years. They will be able to appeal to the student award officers at the individual institutions where these matters are given very careful consideration. I think in the vast majority of cases that were submitted to the department from the student award officers on appeal last year, the appeals were given very positive consideration.

Mr. Nixon: A supplementary question, Mr. Speaker, if the Minister will permit, pertaining to his first answer. Are the vacancies on the board of Ryerson polytechnical institute those which the Minister will fill?

Hon. Mr. Davis: Yes, these will be appointed, Mr. Speaker, by the Lieutenant-Governor in council.

Mr. Speaker: Orders of the day.

Clerk of the House: The 1st order, resuming the adjourned debate on an amendment to the motion that Mr. Speaker do now leave the chair and that the House resolve itself into the committee on ways and means.

BUDGET DEBATE
(Concluded)

Mr. G. R. Carton (Armourdale): As I was saying in my opening remarks last night, Mr. Speaker, there is a sense of timing when one is on his feet whether it be making a speech, whether it be addressing a jury or whether it be cross-examining a witness. I am reminded of the story of that outstanding criminal lawyer, Rufus Chote, who was a brilliant cross-examiner. On this particular occasion he was defending on an assault charge, and having drawn an admission from the only witness that he had not seen the accused actually bite off the ear of the man, instead of leaving it at that and winning his case, he went ahead to emphasize and said: "Then I understand that you did not, in fact, see the accused bite off the ear of the man". To which the witness replied, "No, sir, I did not see him bite off the ear, I only saw him spit it out on the ground". And of course, there ended the case. So there is a point beyond which one should cease, and of course we never learn from mistakes and of course I am going on with my address.

As I rise for the first time this session, Mr. Speaker, I do so with great pride because I am honoured to be a member of this 28th Legislature, a Legislature which I suggest will more than any of its predecessors, leave its mark on the people of Ontario, as it debates and brings forth new and progressive legislation to advance the social and economic well-being of all our citizens over the course of this next four years.

I must, at the outset, congratulate the Speaker on his appointment and tell him that to date he has done a most creditable job in a most difficult position. It is no less than we expected of him but certainly he has had a most enviable record of achievement in the House, firstly as a private member and secondly as a member of the Cabinet in various portfolios, and now as Speaker of the 28th Legislature. I think it is a most fitting appointment and all the more so because he has, in my opinion, one of the most charming wives in the Legislature to share the

social duties incumbent with this high office. While you are in the chair, Mr. Deputy Speaker, may I also congratulate you on a job well done.

October 17, 1967, is now past history, but since this is my first opportunity I would like to comment briefly on the outcome of the election as I interpreted it. Insofar as our leader, the Prime Minister (Mr. Robarts) was concerned it was again a tremendous personal victory because although the good people of this province realized that a stronger Opposition was needed for good government, they certainly were not going to take a chance—and did not—of losing the leadership of the man who has earned the respect and the admiration of all the people of this province—regardless of party affiliation; a man whom history will record as not only a great leader for the province of Ontario, but a man who unselfishly on every occasion—as was emphasized by the hon. member for Sudbury (Mr. Sopha) yesterday—puts above all the Canadian nation and the Canadian people.

As for the leader of the official Opposition (Mr. Nixon), it is no secret that I believe he possesses all the qualities of a fine leader, and I am only grateful as a Progressive Conservative that he had not been chosen leader earlier, because there is no doubt in my mind that he grows in stature every day that he occupies this high office. He is now in the fortunate position as well that, on October 17 last, he added considerable talent to his party with the election of at least seven or eight backbenchers who are definitely comers; men who will be a great source of strength to their leader, and to certain veteran members who have been carrying a terrific work load most ably for some time now—among them the hon. member for Downsview (Mr. Singer), the hon. member for Sudbury and the hon. member for Parkdale (Mr. Trotter). I think the Liberals in this province are most fortunate in their representation in this 28th Legislature.

Hon. A. Grossman (Minister of Correctional Services): Do not overdo it now.

Mr. Carton: And now for the leader of the New Democratic Party (Mr. MacDonald). Notwithstanding that I have resided in my present riding—and I am sorry he is not in his seat to hear this—of Armourdale for some 20 years, I was born and spent a great deal of my life in the riding of York South, which is represented by the hon. leader of the New Democrats. I attended public and high school there, established my first law office there and became president of the local service club, the local YMCA, and the local retarded children's association, so I know that riding. This is the riding which truly nurtured the cause of the CCF and later the New Democratic Party, for it was here that my high school English teacher, the late Joe Noseworthy, pulled the political upset of the century locally, when he defeated the Rt. Hon. Arthur Meighen back about 1940.

Joe Noseworthy won that election because of his own personal popularity, and from that date, with one or two exceptions, it has remained with the New Democrats both provincially and federally. I attribute this in large measure to the hard work and dedication of the member for York South (Mr. MacDonald). And I must say that, in addition, he personally deserves a great deal of credit for what I consider—having regard to all circumstances—an excellent showing by his party on October 17 last. He, too, has added considerable strength in his numbers and I am sure that he is enjoying his role as a leader more this session than heretofore, because he does not personally have to take the heavy role in the debates as formerly.

Far be it for me to counsel the members of his party, but with the trend to changing leaders which is common in Canada today—a recent fad—I would simply warn them that, in my opinion, their present leader stands head and shoulders—possibly with one or two exceptions—above any of their present members of the Legislature, as does the hon. member for Brant (Mr. Nixon) among his members; and of course my leader among our particular members.

So, history has recorded the events of October 17 last and we have begun—

Hon. Mr. Grossman: All he has to worry about are those one or two exceptions.

Mr. Carton: —we have begun and almost completed the first leg of a journey along the legislative paths towards our political destiny, to be likewise recorded and voted upon by the electorate some four years in the future.

I have enjoyed listening to the debates thus far, and although there is much repetition, I think by and large the members are to be congratulated. There is much to be said for the cut and thrust of debate, but I must confess that on occasion, not the debates but the interjections—and in all fairness the interjections on all sides—sometimes make me

cringe. On occasion the remarks are downright cruel and I hope are not meant; if meant in the heat of the moment I hope they are forgiven, and soon forgotten, for surely we are all hon. members trying our best in our own way to represent our constituents and the people of this province.

In this vein I might add that I, too, on occasion feel my Irish blood rising as some of the members of the New Democratic Party give forth, proclaiming that they are the only party interested in people. Mr. Speaker, I state this not in a vain sense as an individual but in a proud sense as a Tory—and I repeat that—in a proud sense as a Tory. I will match any member in that party for freely given hours and freely given money from not too plentiful a pocket, from my graduation from law school right through to the election to this Legislature. I do not deny, Mr. Speaker, that the hon. members opposite are here because of an interest in, and concern for, people but I say categorically and without fear of contradiction, that as parties, and I daresay as individuals, we are all, every one in this House, in a like position.

Mr. Speaker, there is one matter of great interest, I am sure, to all hon. members of this House that has perhaps been overlooked to date. And I refer to the fact that for the first time we have sitting in our ranks the son of parents who were born in Italy, the first of his race to be a member of the Ontario Legislature.

We are all aware of the tremendous contribution of the Italian race to our life in the province of Ontario, particularly, Mr. Speaker, in the construction industry and its allied fields. In the great metropolitan area of Toronto alone we have now approximately 200,000 Italians who, almost without exception, have proved themselves to be industrious men and women intent on becoming good Canadian citizens in every true sense of the word. The immigrant parents have laid the foundation, and the first generation of Canadians are taking up the torch and becoming leaders in business, in industry, in the professions and in politics.

All three parties in this House have their following among the Italian race, and all three parties will benefit greatly from this association. And this is as it should be in our democratic way of life.

So, Mr. Speaker, out of courtesy to the many Canadians of Italian origin and descent in this province, and in particular as a tribute to the member concerned, I beg your indulgence and that of the House so that in my best Irish-Italian I may address a few words of congratulations in Italian to the hon. member for Dovercourt (Mr. De Monte), whom I value as a member of this Legislature, as a colleague in the legal profession, and as a friend and acquaintance for many years.

Durante la guerra ho passato un anno in Italia sotto brute' condizione, ma ho visto la bellezza dal Italia, e la bonta' dal popola Italiano. Nel stesso tempo, ho imparato un poco dalla lingua Italiana, per' non usandola ho dimenticato la piu' gran parte.

De parte del primo ministro, e di tutti gli onorevoli mebri della questa casa della provincia dal Ontario, vi felicito sinceramente per le vostre realizzazioni fino oggi e vi auguri un gran successo per l'avvenire, mentre preparate il corso per la partecipazione alla politica provinciale in questa grande provincia della vostra eminente razza. Voi fate onore alla vostra razza, alla vostra professione, al vostro partito, e a questa assemblea.

Mr. Speaker, the English translation is as follows, for the benefit of those who do not speak Italian—and for the benefit of those who do:

I spent about one year in Italy during the last war where even under the most adverse conditions, I learned to appreciate the natural beauty of the hon. member's motherland, and the warmth of its people; and at the same time I acquired some knowledge of the Italian language.

An hon. member: And the Italian girls!

Mr. Carton: Without usage, I have forgotten most of my knowledge of the hon. member's language, but on behalf of the Prime Minister and all hon. members of the Legislature of the province of Ontario, I sincerely congratulate him on his achievements to date, and wish him well in the future, as he pioneers provincial politics in this great province for his great race.

The hon. member is a credit to his race, to his profession, to his party and to this assembly.

Mr. Speaker, we have many new members in this House, men who are in the main young men who are eager, who are dedicated and who sincerely want to do a good job. It is for this reason I am going to dwell four or five minutes on a subject of special interest, I am sure, to them, and I think of general interest to all of us. Frequently we hear statements made by citizens, and in some cases by responsible

citizens, that the ethics in politics are on the decline, that they are not what they used to be.

Now, this is very disturbing to me, as I am sure it is to all hon. members, because if governments at all levels do not have a purposeful regard for political morality and a conscious respect for higher values in modern life, we have a most serious barrier to the advancement of the best interests of our nation. In the main, politicians are referred to in two diametrically opposed senses:

First, a politician is referred to in a complimentary manner, meaning he is smooth, suave, witty, diplomatic, urbane, clever, articulate and above all charming. And I am sure that we would all agree that this applies to the hon. member for Donwsview, the hon. member for Sudbury, the hon. member for Riverdale, and so on. But secondly—and this is what I do not like—they refer to a politician as opportunistic, unethical, unprincipled, dishonest, disreputable, flamboyant, corrupt and always motivated by selfish expediency.

Some time ago I was searching for material for a radio address on this topic and I enquired at the legislative library for a book entitled *Morals and Politics*. The attentive, friendly librarian laughingly and facetiously replied: "I do not recall such a book; would it be possible for these two subjects to be related?" This only whetted my appetite further. Subsequently to that, I had the pleasure of listening to Hon. Walter Dinsdale, former Minister of Northern Affairs in the Diefenbaker administration, at the first international seminar of the international Christian leadership ever held in Canada. At that time Hon. Walter Dinsdale said that the popular connotation of "old soldiers never die—they just fade away", applied to politicians was changed to "politicians never die—they just smell that way". Humorous, yes, but also frightening.

It is a somewhat anomalous situation that arises when one offers himself or herself for public office for the first time. Up until this moment he commands the respect and admiration of his fellow men. However, immediately upon becoming elected he or she becomes a politician overnight, and thus open game for criticism by anyone and everyone near and far, no matter what their background may be or how well or how ill informed they may be.

This, I think, is one of the barriers that prevents many capable women and men from seeking elected office. It is to the credit, therefore, of those presently holding public office that in spite of this anticipated and this realized criticism they go ahead. Indeed, I believe that the ability to absorb criticism levelled from all sides, unfairly in most cases, is a prerequisite to a successful political career.

One must learn to recognize that he can only do what is best in his opinion, having regard to all circumstances, and having once made his decision to abide by and uphold it. Why is it that the public takes such delight in belittling politics and politicians; that one of the favourite pastimes today is to berate and ridicule everyone and anyone political? When one reflects, it is obvious that next to discussion of the weather the most popular topic is politics.

This is because the press, the radio and TV devote much of their space and much of their time to politics, both national and international. This makes even the most casual reader or listener politically conscious, but, unfortunately in the majority of cases, politically ill-informed.

Another factor is that being human the public in order to cover up their own shortcomings, seek to ease their conscience and rationalize their own inadequacies by searching for a scapegoat, and who is more vulnerable than those in the limelight, the elected representatives?

I would point out that if there is corruptness—if there is inefficiency—if there is a lack of sincerity and integrity in politics, I submit it is but a reflection of what must be worse in the area outside the political boundaries. Furthermore, I feel that each candidate is but a reflection in large measure of the political morality and character of the majority of the residents in his riding.

However, contrary to a sense of defeatism and futility in the politics of today I sense a re-awakening in the electorate; a keen interest in our public affairs, possibly brought about by the many elections over the past eight years—I believe over 30 in number. What the public tends to forget is that there is not—and there will never will be—a political utopia where the issues at hand are backed by the whole weight and by the solid support of public opinion, thus making the requisite decisions easy to render.

In almost all instances the issues are complex and cloudy, there is no clear ray of sunshine to illuminate the right path for them, and the right path is never without rough stones to try the walker.

I am greatly concerned, Mr. Speaker, with the public attitude towards politics and politicians, because no country in history ever existed without politics. Why should anyone feel superior to politics? We achieve our freedom through political action; we live by politics, created by political thought. Education, welfare, in fact all the things we now recognize as necessary and vital to our lives, were brought about by politics.

I sincerely believe that the entry of women into active political life has done much to enhance the public opinion with respect to politicians in latter years. I have nothing but the highest possible regard for the hon. member for Hamilton West (Mrs. Pritchard), formerly Hamilton Centre, with whom I had the good fortune of occupying the adjoining seat for my first two years of political life. She is a very talented, practical politician and one from whom we could all take a few lessons, and I am sure that the hon. members in the New Democratic Party would speak likewise of the hon. member for Scarborough Centre (Mrs. M. Renwick).

Politicians have a momentous task in these days of constant change, to try to always interpret in good moral conscience the right and the true path. I beseech the public that if our day-by-day decisions do not always meet with their full approval, or if they read or hear of some terrible breach of moral judgment by us, I ask that they try not to prejudge the verdict. They should seek out the facts and put themselves in our position, bearing in mind that uppermost in the thoughts of the majority of politicians is the fervent prayer: "Help me to be part of the answer and not part of the problem."

I firmly believe that political morals and devotion to the public cause are at the highest level ever. We are in constantly changing times, and if those who are of the older generation do not fully concur with all the things that have happened, we must reflect that the decisions that we made along the ways of life did not always please our own parents.

The citizens of this country are builders of the future, and whether we build as public servants or as private citizens, whether we build at the national or local level, let us remember the advice of the Reverend Phillips Brooks of Boston:

> Do not pray for easy lives; pray to be stronger men. Do not pray for tasks equal to your powers; pray for powers equal to your tasks.

One of the most difficult things to understand is the apathy of the general public, and yet this is perhaps human, because unless one has a personal interest it is difficult to instill enthusiasm. Yet every effort must be made to eliminate public apathy from this nation of ours. The need for profit and gain must become secondary to the welfare and concern of the individual and the nation.

While criticism of the political beliefs of the individual and/or his party are to be expected and accepted, no man or his party should be held up to public ridicule. Too many men in our lifetime—President John F. Kennedy, Senator Robert Kennedy, Martin Luther King—have paid the supreme sacrifice for the right to express themselves in a free society.

Responsible citizens should not tolerate those within our society who for personal gain or popularity seek to discredit those who have offered their services to the citizens at either the municipal, provincial or federal level.

We have a choice in this Canada of ours, a choice inherited from our forefathers who died and fought for this heritage, a choice to be governed by men who are governed by God, or to be ruled by tyrants. This is the choice of the public and I urge them to remember this in order that government and politicians may be kept in the true and proper perspective that they have so rightly earned through our democratic processes.

Now, Mr. Speaker, to get down to more mundane things in this Legislature. I feel that more can be done to aid the excellent work now being done by the Ontario housing corporation. We have the finest Minister of Trade and Development (Mr. Randall) in all of Canada, and on top of this he is doing an excellent job in the very difficult field of housing. But I feel that the cures to the housing crisis require other aids. I am almost loathe to advance my personal convictions about housing in this Legislature after hearing the matter debated almost *ad nauseam* in the past few months, but I can set forth my own views in three or four minutes.

I am convinced, absolutely, that the two great factors that have contributed to our nation building in Canada to date are: Firstly, the supremely important part played by small business and family corporations, on whose behalf the member for Eglinton (Mr. Reilly), spoke so eloquently on February 10, 1965, and the other I think equally important factor is that we have been—and if I have an

infinitesimal fraction of influence on the Legislature, we will continue to be—a nation of home owners.

I am almost fanatical in preserving—or perhaps resurrecting is a better word—the rights of the average citizen to own, preserve, and protect his own very private dwelling to which he can return each evening away from the cares and toils of daily employment and raise and enjoy his family. This is the be all and end all of the average man's existence. If I personally had the power I would move heaven and earth to give it to him.

I adamantly and vehemently refuse, with all the will at my command, to retreat or to admit defeat and say that in this magnificent young country we are all doomed to be a nation of cliff dwellers. It just is not so, and will not be so.

There is a growing and widespread shortage of housing in Canada that is now bordering on the dangerous. Inflation is now, to put it mildly, going at a fast trot—nay, some would say galloping. The poverty line in the first half of 1967 for a family of four—two adults and two children—was conceded to be $5,000 and by the end of 1967, $5,600. It has been said by knowledgeable people that any one in Toronto earning less than $10,000 could never hope to own his hown home. This is in spite of continuing good times.

You cannot blame the labour unions; they are only seeking to put their workers within the poverty line of $6,000 or the home owners bracket having an income of $10,000. You cannot blame industry and huge corporate profits; because on one hand there are the increasing bankruptcies, disclosing that all that glistens is not gold, and on the other hand if there is gold, then the governments are taking 52 per cent of it. But you can and should blame the collective—the three—levels of government. If John Q. Public would get some gumption and stiffen his line and say: "Look, we are sick of one level of government blaming the other," we might begin to get somewhere.

I am sorry to say that, apart from the provision of funds, the burden, in my opinion, falls four square on this government. We are, in fact, the second level of government, and we can take steps to control the third level of government—the municipalities—which are only creatures of our imagination and ingenuity.

We, in this Legislature, have jurisdiction over actual house construction and the laws and regulations affecting it. We must take steps to cut down the soaring costs of building. We should establish a realistic down-to-earth building code programme for this province to replace the present archaic and conflicting municipal codes.

There are other sources of cutting building costs which have been mentioned many times in the Legislature by all parties. I wonder how many members of this Legislature sometimes took time to read an address by Mr. Bruce McLaughlin, a very successful, determined, but socially conscious young developer and builder made to the Metropolitan Toronto home builders last April 22? Let me quote a few key phrases from this address for your serious reflection. I quote:

> The building and development industry is responsible, directly and indirectly, for about 20 per cent of provincial productivity. Therefore one must conclude that, unless the building and development industry is performing satisfactorily, the entire economy will be weakened.
>
> It so happens that the building and development industry is performing very badly, and it so happens that the economy of this province is plagued with problems of such serious proportions that we aptly term these to be crises situations.
>
> I hope to demonstrate to you that proper land use planning, whereby government, in co-operation with our industry, can build a system of new cities, is the fundamental key to alleviating several of our most crucial public problems.
>
> The traffic congestion in major cities is building up into intolerable levels of tension and inefficiency. A large proportion of the public is being forced to travel ever-increasing distances at ever-increasing cost and waste of time. In addition, public expenses on highways and interchanges, which are extremely high, are continuing to climb. If we proceed to sprawl, without method or reason, there is no way out of this particular predicament.

And the end paragraph of the quote:

> The development and building industry has the capacity and is anxious to build the quality and quantity and type of home that the people of the province want, and, if the municipal restrictions against home building are lifted, our industry could build homes of the type and price which the people need.
>
> The municipalities are preventing the solution to this problem, because it is beyond their financial capacity to educate

> the children, unless they can also attract sufficient nonresident assessment, to ensure that they will have balanced assessment. That is to say that not less than 40 per cent of their assessment is to be nonresidential in nature, and many municipalities are looking for 45 or 50 per cent commercial or industrial assessment. These municipalities are pressuring the provincial government to do something about the educational burden and to do something about achieving balanced assessment.

I congratulate our government on the basic shelter exemption plan, but this is only a stopgap, and a psychological crutch to the homeowners, and overburdened taxpayers. I am looking forward to the committee now sitting on the Smith report—many members of which are presently out of the Legislature doing just that.

Mr. Speaker, I am appalled and alarmed at the shortage of reasonably priced houses. Walter Dean, the president of National Trust and Savings suggests in his assessment of the lending environment, that there will be a continued inflation of housing prices, steadily rising rents, and mounting hardship, especially for low-income families.

The primary mortgage lending institutions are the loan and trust companies, and these are experiencing difficulties in attracting savings. And even the simplest of us can appreciate that no savings growth means no mortgage lending growth.

The bankers are, in the meantime, having a field day. They charge more for loans and pay more for the savings, and they are not mortgage providers. Ordinary loans, which are their main business, and consumer loans, which are more profitable, are their main concern.

Along the same lines, insurance companies seeking a hedge against inflation are turning to the financing of large apartment complexes, which usually offer the mortgagee a participation in the equity.

Mr. Speaker, interest rates and the money supply come under the jurisdiction of the federal government. Prime Minister Trudeau must take steps to make adequate funds available for housing at rates which people with modest incomes can afford to pay.

Subsidizing interest rates would not be costly. On $1 billion it would only be $30 million, if we took the difference between the exorbitant 9 per cent and 6 per cent. These latter problems are for Prime Minister Trudeau to solve—and solve quickly—if he truly means that magic phrase with which he wooed the Canadian electorate: "A just society".

In addition, government spending or overspending at all levels must subside and the government must better stabilize their affairs.

In conclusion, on this particular topic, I would point out that, according to the economic council of Canada, by 1980 eight out of ten Canadians will be living in cities. We must prepare now to meet the problems confronting city dwellers—not only housing, but traffic and transport problems, air and water pollution, decaying neighbourhoods, and so on.

The number one problem now is housing. We have met and conquered many challenges in this Legislature. Let us in the immediate future solve, once and for ever, the critical housing crisis. It is a most serious social problem confronting Ontario today.

Mr. Speaker, it would be improper to leave the topic of housing without making a few pertinent remarks about the allied field of tenancy. I hold a year-round clinic every Monday night in my riding and one of the major problems that is repeatedly brought to my attention is the present serious problem concerning tenants.

One night alone, I had representation of 25 to 30 tenants whose rent had been raised 30 to 40 per cent in one month and, even at this drastic increase, the landlord would not give them leases. Presumably, after getting the rents up, the new landlord would be re-selling almost immediately and another increase would be forthcoming from the then new landlord.

Now, sir, I realize that there are two sides to every coin and understandably, in some cases, the landlords may feel aggrieved. I am also aware that many members in this House dismiss the problem with the old adage, the law of supply and demand. Again, as in housing, I refuse to accept this heartless theory. In a rapidly increasing urban area, landlord and tenant relationships are going to increase drastically over the next few years. Now is the time to come to grips with them.

We, in this Legislature, are equally concerned with protecting minorities as well as protecting majorities. There are few lawyers left in this Legislature, Mr. Speaker, all too few, and I venture to say, without fear of contradiction, we are all completely disenchanted with the present situation of landlord and tenant law. Time has come—and is, indeed, long overdue—for a complete revamp-

ing of The Short Form of Leases Act, which is antiquated—nay, it is completely out of date. This is the first and most important step that could be taken by this House, and one that must be taken forthwith.

There are, as we know, many abuses perpetrated not by a large number but certainly by too many landlords respecting the security deposits, the right of distress, fees for allowing assignments, the forced execution of one-sided leases and numerous other flagrant actions by landlords. These must be corrected. The unorganized individual must not be left at the mercy of well-organized and well-financed groups of individuals and organizations. Large apartment complexes are here to stay.

Another partial solution that could be considered, and one that I heartily recommend, would be the establishment of a special court to deal exclusively with landlord and tenant applications. This would expedite matters brought before the court and certainly would eliminate a great deal of the cost presently involved.

Another idea that comes to mind could very well be the establishment of, and forced membership in, an organization embracing all apartment owners. This body could then be a regulatory self-disciplining force which could operate along the lines of our present professional associations.

We owe it to the many hundreds of thousands of tenants, many forcibly so due to the housing crisis, to give proper, and immediate and prompt action to their urgent plight. Many tenants are frustrated home owners. Let us, at least, help them retain some sense of pride, some sense of security, some sense of decency. The important remedies are within control of this Legislature. Let us accept our responsibilities, and correct the abuses and alleviate the hardships.

Now, Mr. Speaker, one of the favourite pastimes of modern society seems to be apart from the politicians, seems to be belittling, or rather castigating, our police forces.

One can only speak from one's own experiences and observations. I would like to go on record as stating that without any question of a doubt, I sincerely believe that we have one of the finest police forces in the world in Metropolitan Toronto, if not the finest.

This is in spite of certain and occasional allegations of improper conduct against certain individual members.

As a matter of fact, forgetting the Metropolitan Toronto police force for a moment, let us examine the average Canadian policeman. He has children, he is in his 20's and has been a policeman four or five years. He makes $135 for a 40-hour week. He gets three weeks' holiday a year and he has a pension plan that, after 30 years, pays him 50 per cent of his average lifetime salary.

In 1966, the number of motor vehicles stolen outnumbered the number of police by more than 5,000. In 1966—and I am using those figures because they are the latest available—in 1966, excluding civilians and cadets, the number of policemen and policewomen on Canada's 700 police forces was 34,069. Yet, that year they investigated more than 1,094,000 non-traffic offences, including more than 266,000 deaths, 102,000 break-ins, 53,600 assaults and 350 murders and attempted murders. They also laid more than 1,892,000 traffic charges including 35,340 impaired, 3,057 drunk driving, 614 criminal negligence and 13,101 failing to stop at the scene.

Mr. Speaker, they solved 94 per cent of the murders, 92 per cent of attempted murders, 86 per cent of manslaughters, 76 per cent of woundings and 73 per cent of rapes.

I, for one, am naive enough—and I hope I continue to be naive enough and old-fashioned enough—to look upon the majority of the police forces as defenders of society, as protectors of the weak and oppressed. The life is routine, it is dull and it is boring. I am sure that they become quickly disillusioned. Their financial reward is small. Their promotions are few. They continually work on shifts. They work most traditional holidays. They must enforce many outmoded laws. They suffer from a chronic shortage of men and money. They become disenchanted, disillusioned and leave the force. In 1966, Canadian police forces hired a total of 5,920 policemen, cadets and civilian employees. They lost 3,506. In Metro Toronto in 1967, about 300 police personnel resigned.

I say, Mr. Speaker, that it is high time that recognition, and due recognition, is given our fine police forces, and that those of us who hold elected office should lead the way. The measure of the due and proper enforcement of our laws is a measure of the success of our society and the measure of advancement of the best interests of the community at large.

As legislators, we exercise a certain amount of influence. I look upon this as a trust and I strongly urge that we take time to get

better acquainted with the law enforcement forces, and give to them the support that they give to us; as they uphold the laws that are made by us.

I might add, by way of special interest to the members of this House, that we have every right to be proud of our excellent police force in the Ontario Provincial Police. To those hon. members who have not attended a graduation ceremony at Aylmer, near St. Thomas, I urge that they do so at the earliest opportunity. They will come away with a great sense of pride and a warm inner glow as they watch the ceremonies honouring the graduates who have have worked hard and conscientiously to earn a position with the Ontario Provincial Police. The Ontario police commission are to be highly commended for their leadership and their direction.

Mr. Speaker, I became aware, recently, of a new plan in effect in Alberta, called the "orderly payments plan". This plan helps in-deep debtors by consolidating their debts into one monthly payment and, by law, forcing their creditors into accepting a mere five per cent interest. In effect, the province becomes the mediator between creditors and debtors. It collects the monthly payments, distributes them to the creditors, and keeps them from hounding the debtors.

Debt accumulation, Mr. Speaker, is the product of our times. Young people get married, credit is easy to get, and before long they are on the merry-go-round. In no time, a family comes along. When a job is lost or an anticipated raise is not forthcoming, creditors start hounding, nerves get on edge and, yes, I suppose, many separations and ultimately divorces are a direct result of financial circumstances.

As I understand it, there are certain conditions attached to this government assistance in Alberta. For example, nothing further can be bought on time without approval. And even then, it must be a necessary item costing less than $500. They cannot miss their monthly payment except when emergencies, such as unexpected doctor bills, arise. If these conditions are breached, the plan ceases and they are thrown back to the creditors.

The average Canadian family has a debt of about $2,000; the national consumer debt is close to $8 billion, and that does not include mortgages which are estimated at about $16 billion.

Now, Mr. Speaker, quite recently in Toronto, and I will just read one paragraph:

> Depressed, and in debt, Robert George Robinson stole a car last August 11 to drive to a Toronto-Dominion bank on Jane Street, He entered carrying a pellet gun and then left.
>
> "You stopped short at this very last moment," said the judge, "and this was to your credit."
>
> Defence counsel Dennis O'Connor said Robinson held two jobs in an effort to meet his obligations but was unable to keep up with them. He owed $3,000.

The most important cause of debt, Mr. Speaker, is poor judgment, that and impulse buying. Add to this, interest which varies from 18 to 23 per cent, and you are on a debtor's magnet. Most people are on it, and most people do want to discharge their debts. I know we have a debt counselling plan in operation in Toronto but I am sure that it lacks the necessary power inherent in schemes with government support.

This plan, in Alberta, deserves the attention of our Minister of Financial and Commercial Affairs (Mr. Rowntree). And, if successful, I would heartily advocate a similar plan in Ontario. And, if not successful, I would urge that every thought be given to innovate a plan that is, because help is needed, and needed badly in this area, by a large segment of our population. A debt-free family is a happier family and what we want in Ontario is happier families.

Mr. Speaker, I represent a riding comprising constituents who, in the main, are in the income group of $5,000 to $10,000. There are many homes where the woman has to work, she must work. Day care is not just a welfare problem, it embraces many income groups. Mr. Eberlee, the Deputy Minister of Labour, is quoted as saying: "Canada's economy could not function without the working women." The number of women in the labour force fluctuates, but in 1967 it averaged about 2.3 million. One in four is married, with children under 16. It is estimated that by 1971 half the women in Canada will be working for wages. And, Mr. Speaker, the prime reason, the compelling reason, and the compelling force, for women going back to work is simply a matter of economics, the drastically rising cost of living. It is stated that a decent standard of living today for a family, necessitates an annual income of $6,000. And yet, apart from these many married women, there are hundreds of thousands of single, widowed, divorced, and separated men and women, raising children alone. According to the 1961 census, one family in ten

had only one parent; it may now be one in six. For children whose parents must work, who are desperate, the choice in many cases is rotten day care or no day care at all.

Mr. Speaker, we are in a changing, complex society; we are searching and we are searching desperately for understanding, for the opportunity to work out our own problems. We are no longer people who can be classified and saddled with vague promises; we want action, we want solutions, and we will take considerable risk to put our faith and trust in a leader who is a product of this society, who is, as it were, a man of the people. I quote the words spoken by the former Minister of Public Welfare:

> Working wives are contributing to many social problems. Mothers should accept the job of fulfilling the most important role of all, that of wife and mother.

In just three short years, the attitude has changed considerably and will change even more so in the next three years. I realize that our government is well ahead of others in Canada in this field, but this brings me small consolation because there really is much more that can be done. I urge the Minister to lend every possible support to this increasing and critical problem through the day nursery plan. It is a vital area. Anything that affects our children and their future must be given top priority because we are not given a second chance. Our citizens of the future deserve every opportunity to grow up in an atmosphere which will nurture and fulfil their highest potential.

Mr. Speaker, I would like to congratulate the Minister of Education (Mr. Davis) on recent legislation bringing schools for trainable retarded children under the new county boards of education—thus, for the first time, granting them the same rights as other children. I am especially conscious of this one area of the complex of education because I became personally involved with the York township association for retarded children almost at the outset, some 15 years ago. I happened at that time to be the charter president of one of the Canadian Progress clubs in this city, and we eagerly affiliated ourselves with the cause of retarded children at a time when the government was not even remotely interested.

Big oaks from little acorns grow. As I recall, the steps involved progressing from classes held in a church basement to a school purchased by our club, to making representation to government. And incidentally—and this was long before I was interested in politics—I recall coming to Queen's Park, at which time I came with a young banker; he and I formed a deputation to the then Minister of Education. I may say that of the three, two of them have gone on to great heights in success because the then Minister of Education — who, incidentally, received us most cordially, and was most helpful at that time—is now the Prime Minister of this province; and the young banker that I went with is now president of the Canadian Imperial Bank of Commerce. I would like to point out that I take off my hat to government in this respect but I take it off more so to the parents of these children, and their undying dedication to the cause. And also, a final reminder to all members of this Legislature that we owe a tremendous debt of gratitude to the many service clubs across the province, and to the thousands of members who give wholly of their time and abilities to serve their fellowman.

Mr. Speaker, I like to think as we go through life that perhaps indiscretions committed in youth will be forgiven and better still forgotten. And, accordingly, I personally am not in favour of school records becoming the tools of the police, employers, or what have you.

Some hon. members: hear, hear!

Mr. Carton: This is purely a personal matter, Mr. Speaker, because I look back on my own school days and I realize that the most important single ingredient, outside of native ability, is motivation. I happen to be one who was fortunate enough to advance fairly rapidly; I finished grade 10 at the age of 12; then certain factors intervened and I must confess that my academic record became anything but illustrious for a year or two, until an all-consuming passion for football necessitated my achieving good marks. I sometimes wonder what might have happened had I not been sports-inclined because, being one of seven children, six of whom never went past grade 8, and having a father who could neither read nor write, I was certainly anything but education conscious. So hon. members see that, were my public record at certain ages held up to public scrutiny, I am afraid I would not have passed the accepted tests. We hear so many valid arguments advanced about criminal records, and the fact that there should be a period beyond which there is no recall. Surely school records should *a fortiori* be treated on

a much higher level. The exception, Mr. Speaker, of course, with school records is if the student himself gives permission, or in fact, requests references from the school for employment purposes, or, as many of us in this House did many years ago, for acceptance into the armed forces.

I have wrestled with my conscience, Mr. Speaker, the past five years concerning a matter which was the subject of a resolution debated in this Legislature last year. The resolution was moved by the hon. member for Huron-Bruce (Mr. Gaunt), who spoke exceedingly well, in advancing sound and logical arguments for the inclusion of para-medical groups, such as chiropractors, under the Ontario medical services insurance plan. I have not spoken on this matter to date, and you will recall, Mr. Speaker, that there was a very friendly persuasive pressure group, ever so gentle and diplomatic, in the form of a get-together with certain of the hierarchy of the chiropractic association in each of the past few years. I deliberately avoided these, after attending the first one, because I did not want to have my thinking influenced by association with what I thought were an exceedingly competent, dedicated and honourable group of men. I have had a large number of people in my riding contact me concerning this seeming discrimination, and I took it upon myself to go back over *Hansard*, and I read and I re-read all the material dealing with this problem. Having done so, I wish to say that I associate myself with most of the remarks made by the hon. member for Huron-Bruce, and certainly with his ultimate objectives in this regard, that is, the inclusion of chiropractors and other medical people under OMSIP.

Mr. F. Young: Any port in a storm.

Mr. Carton: Mr. Speaker, I would like to interject one small but important comment to the Provincial Treasurer (Mr. MacNaughton). There is one phase of succession duty levies, that both as a practising lawyer and politician, repels me. This is a situation which arises when residential property is in the names of the deceased, and his or her spouse as joint tenants. It is the subject of long and needless correspondence as the department places the onus on the survivor, usually the wife, as to where she got the money to contribute so as to become joint owner, and when and where and how she managed to raise her portion of the mortgage payments.

In my view, this should be completely eliminated. And insofar as the resident is concerned, if it is held jointly, it should not form part of the estate. This could save the government countless manhours of correspondence and eliminate much bitter feeling, and speed up succession duty assessments, and render great service not only to the public but to our succession duty assessors, who could spend their time to better advantage on more meaningful and complex and productive matters.

Mr. Speaker, as a lawyer, I would be remiss if I did not say a word about our Attorney General (Mr. Wishart). It is most difficult to say something and say it properly, and succinctly. I merely say that there was an article by Scott Young recently in the *Globe and Mail*, and there was one paragraph which sums up my own personal opinion of our Attorney General. It goes as follows, and I quote:

> After going over many characteristics, incidentally, of the Attorney General, to me, with all these characteristics adding up to a distinctive, humane, civilized parliamentary style, he is just about the perfect Attorney General.

Mr. Speaker, during the Attorney General's estimates, there was much said about impaired driving charges, and I would like to pass along for the benefit of the lawyers in the House an experience that I had with a client of mine. He had never been in trouble before and he was charged with impaired driving, and I told him to come to my office at 9:30 a.m. and we would be up to the magistrate's court by 10:00 a.m. But he was so upset at having to appear in court, that the night before he had gone out on a real bender.

When he came into my office he was in no fit condition to walk, let alone drive. I took him down and gave him some coffee and managed to get him up to the court. When his case was called he got to the witness stand and, of course, the usual evidence was given by the policeman. It really is the usual evidence and there is no way that you can beat it, except that I do not believe in pleading guilty and I will never let a client of mine plead guilty to anything. But in this case, the policeman gave the magic words: "His hair was dishevelled, his face was flushed, his eyes were glassy, he was unsteady on his feet, I smelled alcohol on his breath and he was in no fit condition to drive a car."

I took a look at my client in the box and

said: "Well officer, look at my client this morning. His face is flushed, his hair is dishevelled and his eyes are misty. If you saw him sitting in a car on Bay Street now, would you charge and arrest him for driving impaired?" He said: "Yes sir." The magistrate said "You cannot arrest a man for the way he looks and case dismissed." To this day my client does not remember that I got him off.

You know Mr. Speaker, before leaving this topic, I wanted to say that I was somewhat shocked by the remarks made from time to time in the House concerning those devoted humanitarians, those overworked, underpaid, unselfish men who are dedicated to the advancement of the best interests of the community in which they live. I am talking about lawyers. If you are not with me, I am reminded particularly when the member for Beaches-Woodbine (Mr. Brown), gave forth with his description of lawyers, of Shakespeare's "Henry VI", Act 4, Scene 2, where it says the first thing: "Let us kill all the lawyers". So you see it goes back quite some time in history. We are, as hon. members know, the butt of many jokes.

As a matter of fact, three or four months ago, a family I knew as a child had moved away from the neighbourhood and had not been back for years. The father of my friend said: "I can recall when you were five or six years old, that you already wanted to grow up to be a pirate. By the way what do you do?" I said: "I am a lawyer." He said, "Well congratulations." It goes like this every time you tell someone that you are a lawyer. I also get the impression—I am sorry that he is not in his seat, and I stand to be corrected—that the hon. member for High Park (Mr. Shulman), believes that being a lawyer does not necessarily make angels out of men. I admit that his profession has the better of us there.

Interjections by hon. members.

Mr. Carton: Mr. Speaker, we are at the time of year when many addresses at annual meetings of financial corporations point a finger of criticism at the government. These words were spoken by Mr. George Riley, the president of the North American Life Insurance Company at their annual meeting. Using these words as a springboard, I would like to dwell for about seven minutes, and that will be the end of my address, on government, on corporations and the public. It seems to me that ofttimes the regrettable impression evolves that government and business are operating in a role of contending parties. In between these two stand what Mr. Riley calls the "innocent bystander", John Q. Public.

Taxes have risen drastically, and obviously they must continue to rise as politicians of all governments vie one with the other in promising the public what they have hoodwinked the public into thinking that they need. Make no mistake, a snow job is being done on the public in many cases. We in the provincial governments in Canada have been, to a certain degree—and perhaps continue to be, even today—a little smug because our taxes do not land the solid body blows to the taxpayers' pockets as do the federal income taxes and municipal realty taxes. Ours have light glancing blows, but make no mistake, provinces, and I mean all ten, the day of reckoning will come, and is fast approaching. It is said that the average taxpayer subscribes to the theory that it is better to pay up in ignorance than to examine the bite and die of the shock.

Mr. Speaker, I will not go through the many increases in provincial taxes that we have passed right across Canada. I will get back to my main topic, but I did want to interject just a few words on policies and taxation because they are interrelated. My main theme of government and business, and of John Q. Public, is that the government is the whipping boy in many cases; and this is equally true of business. Both are targets for the professional establishment hater. I think that everyone will agree with me that business communities like all human institutions are not without faults and the same is true for government, although I am sure that the hon. members of the Opposition will take exception to any indication on my part that perhaps the government in this province is not perfect. We do make slight mistakes, but I assure them that despite their protestations to the contrary, we are not perfect.

It is easy to blame all the shortcomings of business for all the ills of business, as is indeed done daily in the House by some irresponsible critics, including some of us who have done pretty well out of the system that we publicly denounce—and are not above doing even better. As a Progressive Conservative, I am completely and wholly dedicated to the private enterprise system. This does not mean that I have an anti-government prejudice. Private enterprise in itself is not a sacred cow. It is continually on trial. There are certainly no absolute guarantees that it will survive as a major component of

our society. Its continued and accepted place in our society depends, as do all matters in a democracy, on the continued support of the majority of the people. If you go back, and not too far—just to the Nazi regime in Germany and the Stalin regime in Russia—you will find the greatest tyrannies inflicted on men have been as a result of the concentration of political and economic power in the same hands. That is to say, when political power is highly centralized and not subject to the restraints imposed by the presence of private economical power, there is nothing to prevent it from exercising total and complete control over people's lives. Private economic power, which is diffused throughout the society, provides the counterbalance required to guard against a centralization of all power. If private enterprise is weakened or disappears as a force in our society, then individual freedom may well be on the way out. Private enterprise has proven, at least to date, that it is the most efficient means of producing most of the goods and services our society needs.

The Soviet Union has now admitted this as it applies many of the techniques of the private enterprise incentive system in the management of its own business and industry. The comment that I am trying to make, Mr. Speaker, is that private enterprise is important; it is worth preserving; it is worth the hard thinking and the hard working required to ensure its survival in our society. The business community is not, as its critics portray, a public-gouging élite intent on stepping on the downtrodden poor.

Business first and foremost has powered the industrial expansion and growth of Canada and, in so doing, has done more than government; has done more than unions; and has done more than propagandists to reduce the proportion of real poor in this country to its lowest level ever. It is business in the person of its inventors, its researchers, its investors, its merchandisers and its managers which now, more than any other reason of social change, has narrowed the yawning gap between the haves on the one hand and the have-nots on the other.

In Canada today we are, as in virtually all the nations of the so-called free world, experiencing a phenomenon which is profoundly affecting our lives and the future of our children in years ahead. There is tremendous growth in the power of government and its encroaching influence on so many aspects of our private lives.

Governments determine what our children are taught in school; governments determine the cost of most of the goods and services we use through their control of sales taxes, customs and excise; governments provide us with an ever increasing number of those goods and services; governments provide financial subsidies to the young, pensions to the old; governments determine through their control of corporate taxes the level of practicability of business and industry and the proportionate profits which can be retained by the owners.

Governments control the amount of money we can retain from our personal earnings through the operation of the personal income tax; government is the largest single employer in our country. During the past 80 years in the United States the number of full time employees of the federal government has spiralled from 100,000 to 2.2 million. This is more than its ten biggest corporations combined and does not include the armed forces or the people employed by the state in the municipal government. In Canada it is the same story. I believe that one in 12 in Canada works for some form of government.

From the moment of our birth to the disposition of our estates after our death a multitude of government departments controls, regulates, influences and records almost every aspect of our lives. Notwithstanding the tremendous growth of government influence, pressures today are demanding even more government intervention and there are basically three reasons for government growth:

One—the Parkinson factor which theorized that all human organizations tend to grow at a rate that bears no necessary relationship to the function that they perform.

Two—the legitimate need for services government is asked to provide. For example, defence and police protection.

Three—and this is my point, Mr. Speaker—the failure of private enterprise to correct its own abuses and live up to its responsibilities which accompany the privileges.

If you examine our legislation you will find that a vast amount has been enacted as a direct consequence of the disregard of certain sectors of private enterprise for the interests of the public as a whole. When private enterprise, or private business, fails to correct the abuses which exist in its own midst, when it tolerates practices which are not up to the highest standards, it is inviting government to intervene in its affairs.

What is forgotten today is that government and private business share a common

purpose, and that is the building of a society in which all people have the maximum opportunity to develop their highest potential. Business men on the one hand, and politicians and civil servants on the other, need each other. They should not be suspicious and distrustful of each other. A prime example is the shortsighted and narrow view shared by many business men towards health, welfare, and security programmes. The overall benefits that they produce for society should transcend the immediate cost.

Business men must understand that the role of government is the redistribution of the nation's wealth so that all citizens may share to a certain minimum extent in the benefit of our national development. Conversely political and government leaders must develop a greater appreciation of the fact that private enterprise is the most effective means of producing the wealth on which the nation's economy and government revenues depend.

Private enterprise is the goose that lays the golden egg and the goose must be kept happy and healthy. To domesticate it, to subject it to reasonable discipline, is necessary. But to harass it or to keep it worried or undernourished, is the height of folly. Business men today can counterbalance the concentration of economic power in government hands by becoming concerned with, and involved in, the progress of political decision making. It has been said that capital which overreaches for profits, labour which overreaches for wages, or a public which overreaches for bargains, will all destroy each other. In essence, to put it succinctly, we are all partners but we must be partners in the obligations as well as in the benefits.

Private enterprise invites government intervention and public mistrust when it shows itself as being narrow and dogmatic in its reaction to social change; when it misrepresents its products and services; when it tolerates standards which are a threat to public health and safety; when it permits unconscionable profiteering; when it subordinates its responsibilities to the public and to its customers and shareholders.

One other factor affecting the future of private enterprise in Canada today, Mr. Speaker, is the problem of bigness. Companies today are getting larger and larger by a process of merger, acquisition and consolidation. A new word has recently been coined, a "conglomerate". Automation, the computer age and competition are going to accelerate this even more.

What conceivably could happen is the involvement of giant bureaucracies which can smother the initiative and freedom of the individual as effectively as a state bureaucracy. Private enterprise is on trial and I for one pray and trust that it will live up to and meet the challenge.

In conclusion, Mr. Speaker, I am a Progressive Conservative and believe in our basic philosophies, but I am a Progressive Conservative who is not as kindly disposed to massive production and conglomerate management as I am to small business, because I believe small business originally built our country and still constitutes a powerful economic force.

I am a Progressive Conservative who has a strong compassion and feeling for my fellow human beings, which comes from spending the early part of my life on a farm, and the latter part of my years with the labouring class. It is my desire, Mr. Speaker, and my pledge, as long as I represent my riding in this Legislature as a Progressive Conservative, that this is the party of the small man—make no mistake, the Progressive Conservative Party is the one that advances the cause of the little man. I simply say, Mr. Speaker, that it is propitious timing, or would be propitious timing, for my party and my government to change now ever so slightly the wording, but ever so greatly the meaning of the slogan of this province.

We celebrate this year the 25th anniversary of Progressive Conservative government in this great province and as we all know our slogan is proudly "Ontario—province of opportunity." Truly this is so because our great leaders, and foremost among them our own Prime Minister, have kept their hand on the pulse of this great province. But now, Mr. Speaker, I am advocating that for the next 25 years of Progressive Conservative rule we dedicate ourselves to a new slogan: "Ontario—province of equal opportunity."

It is time to stop tinkering with the nuts and bolts and think of the whole machine. Our government must develop farsightedness, looking beyond the next election to the next generation, to the continuing good of the people, and take the measures that are necessary to assure it. Let us depart from the plane of fragmented, departmentalized decision making, failing to take account of the interconnection of things and their results.

Let us as I said, Mr. Speaker, remake not only in slogan but in fact, Ontario the province of equal opportunity.

Mr. J. Renwick (Riverdale): Mr. Speaker, I am always delighted to hear the member for Armourdale (Mr. Carton) speak in this assembly. I am quite happy at any time to see any member of the Tory backbench get up and enunciate progressive social policies in many fields.

I can only believe that in the case of the member for Armourdale, it was because of his long association in his formative years with my colleagues in the New Democratic Party, the member for Broadview, John Gilbert, the ex-member for Danforth, Reid Scott, and the member for Greenwood, Andrew Brewin. I may say that somewhere along the line the member for Armourdale opted in a political sense for a different party. In his closing remarks, I believe, he illustrated quite clearly the distinction which he made in his mind, and why he selected the Progressive Conservative Party as his political home.

The contributions which the member for Armourdale made in the debate will be remembered, and I would trust that the resurrection of the Budget debate in this assembly would mean two things. One, such contributions by members of the back benches of the Tory Party and secondly, but most important, the attendance on the government front benches of the Ministers of this government. The Throne debate and the Budget debate are the government programme and the government fiscal policy, but in this assembly when we enter those debates the front benches of this government are always vacant, making the usual exceptions for the regular attendance of the now Minister or the soon-to-be Minister of Correctional Services (Mr. Grossman).

Most of the other Tory government Ministers do not consider that their Budget presentation or their Throne Speech deserves their attendance in this assembly when members of the Opposition or members of the government back benches speak. I would suggest, Mr. Speaker, that before we get bogged down in some fine distinctions as to what the specific rules and regulations of this House might be, that first of all we recognize the importance of the attendance of the government Ministers during important debates in this House.

Let me correct any impression that just came across the floor from the Minister of Mines (Mr. A. F. Lawrence). I am not speaking about the attendance of all the government Ministers, all the time, nor am I speaking about the attendance of all the members all of the time. But I am saying that we have sat in this Legislature at important times in the transactions of public business in the province of Ontario, when there have been on many occasions as few as two, three and four members on the government benches. I am saying, Mr. Speaker, that their awareness is not the point. The point is that they should be in attendance to hear what is contributed in the transaction of public business by the members of the Opposition, and by the members of their own party who occupy the back benches.

Mr. Speaker, I want again to correct what the Minister of Mines has said. I was not calling for the attendance of the Ministers of the government at all times, any more than I was calling for the attendance of the individual members, but the point has been reached in the fine balance which this government believes it fosters in the province of Ontario where the attendance in the House by the Ministers of the Crown is less than adequate, in my opinion. I might say, Mr. Speaker, that most of the things which I state in this House are "in my opinion". Nothing refreshing about it; the Minister without Portfolio, the member for Scarborough North (Mr. Wells) made one of his minor contributions in this assembly by saying "in my opinion". It is not up to him to denegrate anybody's opinion. That is what this place is about—the expression of opinion, and the interchange and exchange of ideas.

Interjections by hon. members.

Mr. Speaker: Order.

I think the private debate should be discontinued and we will continue the Budget debate.

Mr. J. Renwick: Mr. Speaker, I apologize for being distracted.

Interjections by hon. members.

Mr. Speaker: Order!

The member for Riverdale has the floor.

Mr. J. Renwick: I am quite happy, Mr. Speaker. If I ever get any response from the Tory benches I consider I have accomplished something in the course of the day.

Mr. Speaker, there is always the problem in a Budget debate such as this, to perform the fine art of selecting what one is going to comment about, because there is such a wide range of problems that deserve comment, and could be selected as worthy of attention in the closing remarks of the Budget debate for this party. My principal concern, Mr.

Speaker, is that the government tends these days, because of its lengthy time in office—and I, of course, along with many others had the privilege of reading the epitaph of the Tory party in the *Globe Magazine* last weekend—the principal criticism that I have of this government is that they now wish, because of the long time that they have been in office, to translate every problem into what they refer to as a complex, difficult technical problem, and to remove it from the field of political exchange. This is about the oldest gambit that can be perpetrated on the Opposition by any government, and this is what this government has done. Every problem is too complex. Every problem is too technical that it really does not deserve any sharp division of opinion between one group of people in the province and another group.

The Minister of Agriculture and Food (Mr. Stewart), for example, dug right down to the furthest depths of the political grab bag about how you deal with a problem. He was faced, as the Tory government was faced, with a split in the agricultural community of the province, of the farm community. In order to heal that split, the Minister of Agriculture and Food posed the threat of the foreign domination of the agricultural industry of this province and the corporate threat to the agricultural industry about which he intends to do nothing, other than to make certain that he very carefully heals the breach between the Ontario farm union and the Ontario federation of agriculture. Well, the protest in the province of Ontario by the agricultural community will not cease simply because the Minister of Agriculture and Food indicates that he in some way is concerned about the domination of the agricultural industry by United States interests, or by the corporate interests, to the destruction of the traditional farmer in the province of Ontario. The reason the protest will not cease is that, as in the case of the sugar beet plant in Chatham, the Minister of Agriculture and Food will in fact do nothing about it.

There are many other areas, specific areas that you could deal with in each department where the government of this province is not selecting the problem, and it not dealing with the problem and is not giving any indication that to them it is a problem. They are isolated in problems that they think are important. I mention only one or two of them because they are not the main burden of my remarks, but the Minister of Health (Mr. Dymond) and this government is going to have to face up to a two-fold problem on its hospital insurance coverage. It is going to have to face up to it at the next session of the Legislature, or again, it is slowly going to have its power base in this province whittled away. The first one is, that there are in this province a number of people who are chronically ill but who do not, in the opinion of doctors, require medical care and attention, but who are not covered during their illness under the Ontario hospital services insurance plan.

Now, that gap in the plan must be filled and filled immediately. I give you an example of a man who earns in the neighbourhood of $6,000 a year. His wife, who until March 31 of this year, was a patient in the Queen Elizabeth hospital in Toronto, was covered by the Ontario hospital services insurance. Since that date, because she is now categorized as only requiring domiciliary care, the cost to that man is running in the neighbourhood of $20 to $25 a day. His income is in the neighbourhood of $6,000. His wife will not be well again in her lifetime and therefore the cost to that man of the proper care of his wife, while he continues with his employment, will exceed his income. The cost will be somewhere in the neighbourhood of $7,000 to $7,500 and his income will be $6,000.

Now, I believe that there are many members who can cite similar instances. I think it is a matter which can be dealt with at no great financial cost to the government. I think it is an important problem. It may be marginal to the government. It is of crucial importance to the man to whom I have referred; and it is of crucial importance to many other people because this man—and he is but an example of many others in the province—because of something which is no fault of his at all. In fact, in about two years' time he will be bankrupt, if the government will not take upon itself to extend Ontario hospital care to cover the care of such a person as this invalid wife, either in a nursing home in the province, or under domiciliary care in the home of the man, so that they can be re-united. OHSI should provide the money which is required, so that he can retain or hire adequate care, if she chooses to be in her own home.

This, to my mind, is an urgent matter which the government must deal with, and must deal with promptly, in the interests of ordinary humanity.

The second aspect of the Ontario hospital services scheme is one which I think the government must move to. Again, I do not

know what the cost is. I do not think it would be unbearable in a province such as this. Under the OMSIP plan the government pays the premiums of those persons who have no taxable income and half of the premiums of those persons who have a taxable income of, I believe, $1,000. In the case of a single person; then $1,500, in the case of a married couple.

I believe that you must now transpose that same system to the hospital services commission payments, so that if there are people in the province of Ontario who have no taxable income, the hospital premiums should be paid by the government and if they have, up to the $1,000 in the case of a single man, or $1,500, in the case of a married couple, low as those amounts may be, those persons also should be entitled to the coverage under the hospital insurance commission plan.

As I said, Mr. Speaker, one could take various departments of government and point out matters which are of great public interest. They may be only marginal to some people, but they are basically and fundamentally important to the persons who are caught within that kind of a trap. In my view and in the view of this party, of course, it is the obligation of the government to seek out and to isolate the kind of inhumanity which is inherent in our system. To intervene, by governmental action, to remove that inhumanity. And to make certain that those persons who are affected by it can live, and continue to live, in some sense of reasonable dignity.

Mr. Speaker, I want to deal with, as I said, a number of highly selected matters. I think it would be an appropriate time, in view of the remarks that were made by the member for Armourdale, to refer—as undoubtedly he referred in his remarks—to the last issue of *The Financial Post* of July 20, which lists the 100 largest corporate enterprises in Canada. Many, of course, are located principally, insofar as their direction and control is concerned, in the province of Ontario.

This government may feel that it can wash its hands of any concern about the impact of this type of corporate growth. It is my view, of course, that the Minister of Financial and Commercial Affairs (Mr. Rowntree), particularly, can play a very important role in what to me is the workshop of Canada, the province of Ontario, in fashioning and beginning to shape the kind of solutions which might ultimately be accepted across the country.

I think, in our constitutional framework that many times we wait until the federal government—which requires a much greater degree of consensus and on whom a particular problem may not impinge with the same force—that we wait too long for that government to take action. Yet in a province such as Ontario, the ramification of the problem and the concern about the problem would, with proper study, care, and within the legislative authority of this assembly, have provided at least the guidepost toward the ultimate solutions of the problem.

The Financial Post lists the 100 companies; there is nothing new about it; they do it every year, but their remarks, I think, are quite pertinent. I think I need only make the remarks, and not pursue it, for the members of the government to understand what I am talking about.

I quote:

> As the giants of Canada's corporate world become even bigger, through mergers, the economic impact of the élite group of 100 largest companies continues to grow. . . . With combined sales of $23,471 million, the 100 companies account for about 42 per cent of sales of all Canadian companies, excluding merchandising and financial firms. . . . Combined earnings for the 94 companies for which figures are available were $1,340 million, probably accounting for 65 per cent of earnings of all Canadian industrial, resource and utilities companies.
>
> This year's list emphasizes, even more than previous years, the degree of foreign ownership in Canadian manufacturing companies; 45 of the 100 industrials are controlled from outside Canada, mostly from the United States, and there are substantial foreign shareholdings in another six.

Well, I commend the particulars in *The Financial Post* to the Minister of Financial and Commercial Affairs. Again, I quote only a sentence without adopting all the attitudes of *The Financial Post* to the kind of concern which this should cause here:

> That the implications of these developments for corporate life in the 1970s requires much hard thinking now.

Well, Mr. Speaker, I am not talking about the foreign domination of the Canadian economy to the exclusion of the very fact of the corporate domination of the economic life of Canada and particularly, of the province of Ontario.

This is not to say whether or not it is a good thing, or a bad thing, or what aspects of it are favourable or otherwise. What we have to have in the province of Ontario is adequate knowledge and informatioin about the impact of these companies upon the economy of Ontario and upon the economy of Canada.

This, to my mind, is an area where the Minister of Financial and Commercial Affairs, and this government could very well begin to provide some of the solutions to the problem of the relationship between the individual in our society, the corporate economic bodies in our society, the government in our society; to find where the balance is which will enhance individual freedom to the extent that that is possible, in a highly organized and organizing society. To find what the role of corporate enterprise of that size may be and, in addition, what role the government has to play, in an intervening way, in the decision-making processes related to the economic life of the country.

These are matters which require urgent attention and constant study and I do not suggest, for one moment, that there are any final answers available either now, or that there are likely to be. But I think it is incumbent on this government to begin to investigate, in a systematic, intelligent way. It must obtain the kind of information that will provide the criteria of judgment which, ultimately, will lead the government to adopt policies and to introduce legislation which will solve some of the very difficult economic, social and governmental problems which the government is faced with in the next several years by the development of the corporations in the life of this country. My plea simply is, let us start now to examine and to understand what is taking place in the economic life of the country.

We have—and again, I do not give any view of the matter one way or the other, I do not know any more than anyone else does, but is the takeover of a controlling interest, minimal as the shareholding may be, controlling interest nevertheless of Canadian Breweries by the Rothman group of companies, is that the kind of decision in which the government should not only not be involved but not have any information in advance?

There are a number of other amalgamations, within the last year or two, which are listed in *The Financial Post*. Of course, they are reported from time to time. And again, my question is: Are they the kind of activities which should take place without any prior government knowledge? Without the government having any view which it may wish to express in the integration of the corporate life of the province of Ontario and ultimately of Canada; because many of those basic industries find it important and valuable to have their head office operation in the province of Ontario?

This is a field which is very important from my point of view, very important from the point of view of the New Democratic Party, and one which I believe the government has been far too standoffish about; believing in some way or other that it is interfering if it moves in to investigate and to understand corporate amalgamations and mergers; believing that in some way they are intruding upon the so-called free enterprise and initiative of the small business man who is so close to the heart of the member for Armourdale and who is a very important part of our society but who, in fact, under this type of corporate amalgamation and merger practice, is slowly but inevitably either going to disappear or to remain in the economy of the country merely as an adjunct or a minor sales outlet or playing some relatively minor part in the corporate economic life of the province of Ontario.

Mr. Speaker, strangely enough, about a year ago when I was also winding up the debate of this party under the Budget, I drew to the attention of the Provincial Treasurer (Mr. MacNaughton), that he had not made, nor had the government made, any statement of any kind, about the Carter commission on taxation. Since that time, to my knowledge, there have been no statements or views expressed by the government on the recommendations of the Carter commission on taxation. And I am going to again, Mr. Speaker, as briefly as I can, elaborate, in this instance, on that particular aspect of the taxation system of the province because my very cursory remark, last year, to the Provincial Treasurer, obviously has not produced any results.

The province of Ontario derives from the personal income tax and from the corporation tax in the neighbourhood of 40 per cent of its revenue. The magnitude of the figures is perhaps best illustrated by the fact that in the current year, the Provincial Treasurer expects to gain from the individual income tax, $650 million and from the corporation taxes, about $315 million. Very close to $1 billion, or as I said previously, about 40 per cent of his revenue. And yet, the

government of the province seems to be hung up as to how to deal with it. We find, first of all, that prior to the election, the Provincial Treasurer announces that he is not going to touch income tax, and he is not going to touch corporation taxes and he is not going to touch sales tax. I should correct that. He, in fact, said, "I am not going to touch corporation taxes and I am not going to touch the retail sales tax," and, of course, that carried with it, the fact that he was not going to touch the income tax, because under the abatement system, it is not within his control. But, in fact, he was saying that regardless of the fiscal needs of the province of Ontario, he was going to opt out of those three fields as having any bearing upon what he might recommend to the province of Ontario by way of taxation measures in the year which we are now in. He also opted out from any serious concern about the progression of the tax system and, of course, we paid the price. The people of the province of Ontario paid the price and The Department of Lands and Forests became the scapegoat for a multitude of these minor taxes which were imposed by the government of Ontario on the people of the province.

But, in this field of the corporate taxation and in the field of the personal income tax, the government of this province has said nothing that I know of. The Smith committee report specifically excludes from its terms of reference any concern about the corporation tax or about the income tax. It specifically states that they are matters being dealt with by the Carter commission. And, of course, the Carter commission, when it makes its report, is also hung up on the proposition that it cannot deal with the needs of the provincial governments or the needs of the municipal governments. So we have, in the popular language of the day, the blind interface between the Carter commission report and the Smith commission report. This is the hang-up of the government in the fields of these taxes.

I want to ask the Provincial Treasurer, and I know he is not going to have an opportunity to reply at this point, but certainly, next session, I would like to have him reply to three or four areas of concern that I have about the Carter commission report. It has been variously hailed, as I am sure the Minister himself is aware, as either being an orthodox document, revolutionary document, a counter-revolutionary document, a great advance in fiscal reform. It has been termed radical, in terms of the technology of the tax system. It has been also called conservative, in terms of its ideology. It has been stated that it is radical in changing the rules of the game but not its outcome, and that no one who seriously believes in hard and serious social reform should confuse Carter with that reform.

There are all sorts of views which have been expressed about it. I only want to isolate three or four topics. They are not matters, necessarily, that I have isolated in my mind. They are products of what I have read and thought about the topic.

Hon. C. S. MacNaughton (Provincial Treasurer): It is a tax philosophy.

Mr. J. Renwick: Yes. There are four basic areas. Is the government of Ontario—it has always had for some long time a separate corporation tax levied under a separate corporate taxing statute—is it prepared to have the corporate tax, as it is now known, disappear?

That, I think, is a fundamental question because the Carter commission report says that corporate taxes, as we now know them, will totally disappear and that the tax which will be imposed will be a tax on the individual shareholders who own the company.

It raises very serious problems and I, personally, do not see how you can adopt the whole of the Carter commission philosophy of a dollar is a dollar is a dollar unless you eliminate the corporate tax.

Again, I do not say whether it is a good thing or not, but I would like to know what the government's view is on that aspect of the Carter commission. The ramifications for the impact of the taxing structure on the individuals in the country and on the businesses in the country, is something which I believe is very great, if the corporate tax, in fact, were integrated.

I think it would make it very difficult for government to raise the kind of moneys that are required if it was not able to have the corporations, in fact, earn the surpluses in the society—have the government take 50 per cent and have the corporation retain 50 per cent. It is a very important part of the leverage which is involved in the government's balance between the private sector and the public sector in my view, as to how the percentages of taxation—how the percentages of retained earnings on the one hand and the percentage that is taken by government on the other hand are balanced off, in the need to maintain the balance between

the public sector of the economy and the private sector.

It appears to me to be a valuable part of the framework of government financing and government intervention in the economic system in order to provide some kind of leverage as to how the economy is to work in any given year. I think that deserves very serious comment. I think it deserves public comment by the Treasurer of the province of Ontario and in debate in this assembly.

I would like the Provincial Treasurer to state whether or not he accepts the Carter commission philosophy on the question of gifts and bequests. We all know that there is substantial pressure in some of the other provinces of Canada to eliminate, for example, the succession duty taxes from the provincial sphere. I would like to know, simply because within the philosophy of the New Democratic Party, the inheritance of wealth from one generation to another is not consistent with either the equality of opportunity that the member for Armourdale spoke about, or consistent with the equality of condition which we, in this party, are very concerned about. I think it is up to this government to make some statement about the very important recommendations which were made by the Carter commission on the question of gifts and bequests. And, of course, involved in this again, is the position of the government of the province of Ontario on the question of capital gains taxes. All of these are involved in some way with the unequal treatment of certain persons within a community.

If you happen to have the kind of wealth where you require the advice of tax experts in order to minimize your taxes, then you find that when you pay the taxes you can in fact minimize them by making use of the special provisions of the taxing statutes so that gifts are taxed at a lower rate. The capital gains tax which the United States adopted—and there is great pressure from the business community, if there is going to be a tax at all, for the government to adopt in Canada a differential tax rate; a lower tax rate on it. So far as inheritance taxes are concerned, the same principle follows, that there are privileged positions within the community for those who have wealth which they wish to transfer to other persons.

The third aspect on which I think that the government should comment is the fairness of the system. I think there has been a great deal of emphasis in the public's mind that the tax structure recommended by the Carter commission is and will be, in some way, a more equitable system. Equitable in the sense that equals are treated equally under the system. It is very questionable as to whether or not there is virtually any merit in the Carter commission so far as the redistribution of income within the economy, within society is concerned. I would like to have the Provincial Treasurer's views as to the fairness or the equity of the Carter system. What is his comment about it? Is it more equitable than the system under which the province of Ontario now gains about 26 per cent of its revenues even though it is under the national tax structure and it is done by means of an abatement provision?

The fourth area which I believe is important for the Provincial Treasurer to comment about, concerning the Carter commission, is the area of the so-called neutrality of the tax system. I understand that the Carter commission, in fact, says that the tax system should be entirely neutral; that it should not, in any way, influence the allocation of resources. It would therefore mean that the private sector of the economy makes its decisions uninfluenced in a fiscal way by the government of the province or the federal government through the tax structure.

It then makes the connection between neutrality and economic growth without giving any supporting information about it. It says, for example, that the neutrality of the tax system automatically means economic growth. I question whether or not the connection is anywhere near that great. I question whether or not, really, the lessons of the last 30 or 40 years have been learned, that governments, as such, have very important parts to play in stimulating the economic growth of the community.

The last item is one that I think this government has got to take under study. It is the question of the guaranteed annual income. It comes into this by way of the negative income tax but as someone said—the Carter commission was underway, of course, during the years when poverty was discovered in the United States and in Canada and became a matter of social concern—and therefore the Carter commission, in fact, did not study it. My understanding is that somewhere in Carter there is a footnote that this matter should be subject to a separate and distinct study. I think that the government of this province should do that kind of a study to put before the people of the province of Ontario its explanation of the various combinations of methods that have

now been devised by which such a plan could be worked out. It is not something that can be undertaken in all its technical details by any one of the Opposition parties. It requires a great deal of skill and technical attention and study. But such a study, even if it took no view of the matter whatsoever, would be at least valuable in throwing into the public market place for adequate discussion the relative merit of instituting that kind of a scheme. We, of course, believe it has very real merit in many areas. We, of course, might very well change our minds if the arguments were all placed before us. But, on the information that we have before us, it would appear to go a long way toward solving some of the basic problems of our society, so far as those persons are concerned who are unable to earn a living for whatever reason, by continuous full-term employment in our society.

Now, Mr. Speaker, I want to deal with the very last matter which is of concern to me, and I am afraid that it is going to go over the adjournment. But I would like to start in on it—I understand, Mr. Speaker, that we are going to continue right on.

The focus of my remarks in this instance is on the Provincial Treasurer's Budget statement, for he joins together and relates slower growth and higher unemployment in the society. In my view, Mr. Speaker, there is no more fundamental problem that this government faces and will face in the next couple of years, than a slow-down of economic growth and an increase in unemployment in the province of Ontario. The Provincial Treasurer, in his Budget statement, of course, relates it to rising costs and prices, rising interest rates, tighter capital market conditions; and the whole presentation of his Budget is involved in those areas of the problems of growth and unemployment over which he says he, as Treasurer, and this government have little, if any, control. Therefore one must rule out the international monetary market, one must rule out the flight of people from paper money into gold, from U.S. dollars into gold, one must rule out any matter which this Treasurer or this government can deal with, although other governments have the power to deal with them. Similarly with interest rates, the government can have little, if any, impact in a direct way on the interest rate structure of the country or of the world.

There are areas in connection with prices, of course, in which this government could begin to provide the experimental machinery under which there would be some form of public scrutiny of prices within the society. Prices, and if necessary the related aspects of profits and wages. This government in my view, could very well be a front-runner —again part of the workshop theory of the province of Ontario—in instituting the kind of board where there would be the initial stages or the public scrutiny of price increases, which I think would provide much valuable information in again fashioning the kind of policies and, in due course, the kind of legislation which ultimately will be required in that field.

I want to stay away from that area, and I want to deal more particularly with the whole question of unemployment. The Provincial Treasurer, again, Mr. Speaker, in his supporting papers to the Budget, has this to say:

> That the Ontario economy in 1967 geared down to a slower rate of growth, that overall the Ontario economy managed to expand its real output by 3.7 per cent and increase employment by 3.6 per cent, whereas the labour force increased by 4.2 per cent, thus productivity did not decline in Ontario in 1967, but neither did it increase.

What I take that statement to mean, Mr. Speaker, is that the growth of the province, the economic growth of the province, failed to keep pace with the growth in the labour force, and that the productivity, that is the per capita output, within the province remained unchanged.

He then refers to the particulars of the labour force, that the total labour force rose in 1967 by 115,000 to 2,834,000, a growth of 4.2 per cent. Employment did not keep pace with the growth in the labour force. Unemployed persons rose to 89,000 or 3.1 per cent of the labour force compared to a rate of 2.5 per cent in 1965 and 1966; unemployment among young workers also worsened during the year. He then ends up by summarizing his view of Ontario economically for 1968, that there will be a growth in real output amounting to 4 per cent, higher employment will account for half of the 4 per cent growth in real output, and increased productivity for the other half; since the labour force is expected to grow faster than employment, there could well be a rise in unemployment to perhaps 4 per cent. Four per cent translated into figures in terms of the work force in the province of Ontario means somewhere in the neighbourhood of 110,000 to 120,000 people who would be unemployed during 1968, on whatever seasonally adjusted basis the statistics may ultimately show.

Now, it seems to me that the government is able, in this area—that is the area of economic growth and dealing with employment—with the proper policies, with the proper mix-

ture between the activities of the public sector and of the private sector, with a proper concern about the redistribution of the wealth of the society in the province of Ontario, to effectively do something drastic about the slow-down in economic growth and about the increase in unemployment.

I am not an expert in these fields, but I am led to believe that for every one per cent increase in the per capita output of the province of Ontario, that that in fact means that there is a disappearance of about one per cent of the jobs in the province. This is my understanding of it. Translated into figures, I take that to mean that if we have a work force of 2.8 million people, and if there is an increase in the per capita output or productivity, that that will in fact mean that there has been a disappearance of about 28,000 jobs. Therefore, what the government has to do in order to deal with the problem of unemployment, is to provide not only the jobs for those who come into the labour force for the first time, but provide the kind of policies which will enable those who are displaced from their employment to re-enter the employment market in other fields; this seems to me to be the measure of the problem.

I think that where people become confused about it is that there is this constant emphasis upon the increase in productivity. If we can just increase the per capita output of our society, if we can just do that, that in some way or other we are really going to have a larger pie to divide. But the fact of the matter is, that the very increase of productivity, which means our ability to increase our standard of living in this province, is made at the expense of jobs within the society. Therefore the government has got to provide not only an economy within which those who are flowing into the society can get employment of all kinds, but it has got to provide the policies by which those persons whose jobs are eliminated can get the retraining and re-entry into the labour force in order that we can maintain our economic growth and maintain full employment.

Mr. Speaker: I wonder if the member would yield me the floor for a moment. There is a motion of this House which has been adopted some ten days ago and which calls for adjournment at 12:30 o'clock, p.m. I understand that the members are anxious to continue and I would like agreement of the House for the suspension for today of that motion.

Agreed?

Motion agreed to.

Mr. Speaker: Will the member please carry on?

Mr. J. Renwick: Therefore, Mr. Speaker, to summarize as best I can, the problem as I see it is that with the increase of the population of the province, and the increase of the labour force of the province on an annual basis just to maintain the standard of living that we now have, there must be an increase in real terms—in the gross provincial product—and if the output per capita remains constant.

Therefore we have to do a considerable amount of running just to stay where we are. In order to provide the kind of improvement in our standard of living and the additional surpluses which are required in our society—in order to accomplish our objectives—we have to increase our per capita output which, I understand, is the definition—for practical purposes, rough and ready as it may be—of productivity. And in the very doing of that we are displacing people from the work force. Now, it is true that the normal attrition of of society displaces people from the work force by means of retirement, death and for other reasons.

However, we are talking about displacement because people are able to live longer, and work longer; and, for many reasons, we are probably talking about the displacement of a substantial body of the current working force. If we are going to increase the productivity of the current working force and of the province, therefore the government's obligation is not simply the education of those who are coming up—providing them with the skills in order to enter the employment market—but to provide the adequate retraining and upgrading facilities which will enable those displaced to regain a place within the employment structure of the province. This is, of course, important altogether apart from the point of view of the individual; it is very important because one of the major factors of the economic growth of the society or the province of Ontario is the consumption by the people of the province, or the consumer demand.

As the Minister's Budget statement said, that consumer demand was a very important ingredient for what growth we did achieve in 1967. The other ingredients are government expenditure, business investment and the export trade—including the tourist industry.

By maintaining a high level of employment and dealing with this question of those

who are displaced, this government has a very real responsibility to maintain the level of consumer demand within the economy. Now, all of these items are quite intertwined and one can certainly move very quickly to the effect of automation on a society as far as the same problem is concerned—that is, the increase of the per capita output in the province. But in addition to that, the impact of automation and to what extent automation is going to be the way in which the per capita output of the province is increased; to what extent is the impact of automation in fact going over the next five or ten years to displace from the work force, larger and larger numbers? Well, it has been said, and these two sentences put the problem clearly:

> A community devoted to the production of consumer goods is ripe for automation.
>
> Therefore if you have a vastly greater amount of your resources engaged in the production of goods, then you have a society which is more and more likely to face the drastic impact of automation. On the other hand, a community which employs its affluence to improve urban environment and alleviate poverty and inequality, to enhance aesthetic experience and to raise the quality of public health and education, will devote more and more of its resources to endeavours only minimally subject to automation.

Therefore, Mr. Speaker, I would simply like to make the point that where the Provincial Treasurer in his Budget refers from time to time to the public sector simply supplementing the private economy and being sort of adjunct to it, to be used very judiciously and propitiously so far as its intrusion on the private sector is concerned, and where in another case—as he gives his reason or excuse for not introducing the federal Medicare plan here—what he refers to as the delicate balance between the private and public sector, I would like to draw to his attention that one of the ways in which he can lessen the impact of automation and therefore do something to lessen the impact of the increase of per capita output on the province of Ontario, in terms of displacing people, is to perhaps consider shifting that balance to a wider participation by the government in the public sector.

Now let us put aside one or two of the mythologies that creep into any such talk. There is some suggestion that government spending is wasteful spending and that government always spends and the private sector for some reason always invests. Let us use the same terms. It is either public investment or private investment, or it is private spending and government spending. Government spending can be very productive. It may not be productive in tangible goods—it is anathema to the Tory party to suggest that a government enterprise should produce shoes. We hear about the catastrophic results to the government of Saskatchewan because of the boot manufacturing operation. But one of the mythologies is if the government produces goods it is wrong and therefore only the private sector could produce goods—and should produce all the goods that it possibly can—and that the government should stay out of and not interfere with the activities of the private sector and not deprive the private sector of resources for public expenditure.

Well, what I am saying to the Minister very clearly is that part of his "delicate balance" which may very well be an essential ingredient of solving what appears to me to be this problem of slow growth, and the problem of unemployment with which he is faced or appears to be faced will be giving greater consideration to a larger expenditure by government in the public sectors in those areas which are not intimately and directly connected with the production of goods.

I do not think the question of unemployment unrelated in many ways to other areas. We talked about the aggregate demand of society which if it was kept up would provide full employment. There is another aspect of it—that is the structural unemployment about which I spoke—and that is the people displaced from the working force for one reason or another are not able to re-engage in the work force because the relatively unskilled, and semi-skilled jobs are disappearing that in other times would be picked up again at the same level.

It is quite different now of course. The demand is for increased skills, and the persons who are now displaced from the work force find it difficult—if not impossible—to get back into the employment field. I would like again to quote a sentence which appeared to me to state that particular point clearly that:

> The pace of technological change, the rising skills required for employment and the shortage of those skills amongst the unemployed explained past increases in unemployment.

I think that also is part of the problem with which the Provincial Treasurer is faced.

I think the only other comment that I want to make in this particular part of my remarks—and these are my final remarks and again I speak strictly as an amateur in this field—is that the usual form of inflation about which we spoke was the demand-pull inflation, then it became fashionable during the early part of the 1960s to speak about the cost-push inflation. In my understanding that cost-push inflation as distinct from the demand-pull inflation is the degree to which a society has moved in its economic activities from a competitive society to an administered price society. That is where the distinction takes place, and that for practical purposes if you have a totally competitive society the only inflation you would have would be the demand-pull type of inflation and if you had a fully non-competitive economic society you would have nothing but cost-push inflation.

All I want to say is that the demand-pull inflation was more or less part of the *laisser faire* free market operation; the cost-push inflation is very much the product of the decisions of basic industries in society. This has been illustrated—and this as is often the case in our society of course, that many times the United States throws into bold relief the very same problems that we have and we tend to think that because the relief is not quite as bold in Ontario we do not have the problems, when in fact we can learn a great deal for the solution of our problems because of the bold relief within which they are thrown in the United States —when the confrontation took place between the late President Kennedy and Mr. Blough, the head of United States Steel Corporation on the question of prices—it was not just a clash of personalities. There was a fundamental problem involved, and it was not just that one man had thought that the other man had not kept his word as a result of the steelworkers and steel industry negotiations for a new contract. What, in fact, was taking place, of course, was that the steel industry was increasing its prices. The closest estimate that anyone can get is that only one sixth of the price increase that the United States steel industry was then going to undertake for the basic commodity within the United States economy was due, in fact, to the results of the negotiations under collective bargaining between the steelworkers and the United States steel industry. What they were saying in the United States steel industry was: "We are going to so operate the steel industry in the United States that we can have an unused capacity—I believe the figure is down to 33 per cent—and still make a profit. As our capacity becomes unused, we are not going to drop our price in order to stimulate demand. What we are going to do is keep our prices at a level regardless of unused capacity in plant and employment—regardless of that, we are going to earn this kind of profit by deciding this kind of price."

Now, again I am not commenting—there is nothing morally good, or morally bad about the problem. All I am saying is that they are serving their interests. Government has got to serve the public interest in the United States. In fact, the late President Kennedy endeavoured to serve the public interest, and has probably left a continuing impact upon the future economic life of the United States, because of his intervention. And in this field of administered prices let us not get trapped into thinking that the so-called cost-push inflation is something which is dealt with by intangible market forces over which we have no control.

It is, in fact, the result of the decisions which are made. And those decisions are matters with which this government and any government which is concerned with and must accept, the primary responsibility for economic growth and the level of employment in our society, has got to be concerned about. Therefore, I say that this to my mind produces the need for this government to act, pending any decision by the federal government—because of my particular workshop theory of solving Canadian problems that this is the workshop where they can be solved—we have got to have the institution of a prices review board.

No one is talking about price controls or any other kind of controls. What they are simply saying is that the public has a legitimate right to know how prices are established in the basic commodities in our society. When that information is available I would be the first one to say that any government that introduced controls would be totally wrong. Why would they be totally wrong? Because, as in all these areas of which I have tried to speak today, there is not enough knowledge. So what you have to find out is how these decisions are made.

We, the government of Ontario, the repository of the public interest, are interested in knowing how prices are established within the basic segments of our society, be they commodities or services. This is what we are talking about. It is not some remote

philosophy, it is not some idyllic conception of what the society might be. It is not some total transformation of the society. It is an assertion, powerfully made, intelligently made and intelligently articulated, of what the public interest is and what its intervention should be. So again I say that a very important part—and again the Provincial Treasurer in his statement which I for my own purposes have attempted to unravel, and have attempted to express some of the unravelling in my remarks; where he says, our fiscal policy; let me go back a little bit: "The Ontario Budget is an economic plan of action." That is what the Provincial Treasurer says. "This particular combination of circumstances, rising costs and prices"—with which I believe I have now dealt in my last remarks—"rising interests rates"—over which, I have said, this government has little control except by persuasion and then not very much over the structure of interest rates in Canada or on the international market, because we have got this problem of either bondage to gold or some new, more fluid method of providing for the financing of international trade, and therefore this Provincial Treasurer is not responsible for that—"tighter capital market conditions"—and he has indicated that he can influence the capital market some way, even though in this Budget he is staying out of it—along with these that I have tried to fasten on in my remarks in this Budget debate, winding it up for this party, are the ones where the Provincial Treasurer has a wide area of influence and control—"slower growth and higher unemployment." Those are his prime responsibilities, not to the exclusion of everybody else, and not divorced from the impact of other influences over which he has little if any control, but over which within this province he has some substantial control he says this "creates a complex of conditions which almost defy rational policy making".

I am simply saying that it does not defy rational policy making. I think that when one isolates the factors which are involved, this Provincial Treasurer and this government can say very clearly that there are areas in which we can ensure the continuing economic growth of this province at a higher level. We can ensure that those who are displaced from the labour force by the increase that we hope will be achieved in the per capita output, can be re-absorbed into the employment force; that we can provide the jobs by which the increase in the labour force in the natural sense of those initially entering it can be employed in it; and that we can, in fact, deal to some extent with the so-called cost-push inflation by intervening for public scrutiny purposes through the instrumentality of a prices review board into the administered price structure in some, if not all, of the basic commodities and services which determine the level of inflation and increase in price throughout the province of Ontario and, indeed, throughout Canada.

Those are areas with which this government can deal. I mentioned one or two subsidiary ones. I mentioned the question of the increasing control by a narrow segment of the corporate society over our economy. I have not dealt with my own particular view that Galbraith's "Industrial State" is nothing but a modern day apology for monopoly capitalism; that there are areas where it is very important to realize and to clearly realize that these 100 companies are not controlled, as Galbraith says, "somewhere away down in something called the technostructure, where little fellows being paid very little and having certain computer skills are in fact making the decisions.

They are in fact controlled by a number of people in our society who are making the decisions; and in my view that aspect of it deserves the attention of the Minister of Financial and Commercial Affairs. But the main body of my remarks and my main concern was simply to deal with the responsibility of this government on the question of slower growth over the last two or three years; the increasing unemployment over the last two or three years; and what will continue to be his major problems and to make certain that he understands that we understand that he can do something about it.

Thank you, Mr. Speaker.

Mr. S. Farquhar (Algoma-Manitoulin): Mr. Speaker, on this occasion during what is, I expect, the last day of this Parliament, I have been afforded the opportunity and the privilege of winding up the debate on the Budget. This responsibility I shall do my best to discharge, realizing that, while it is a privilege second only to the privilege of representing the riding of Algoma-Manitoulin in this chamber, it will be a somewhat different set of opinions than is normally presented on this occasion by this party and I refer to the previous member for Grey-South (Mr. Sargent) and the very able member for Sudbury (Mr. Sopha), who have previously taken this position.

I am quite mindful that, in terms of experience or speaking ability, any presentation I make will compare quite unfavourably with

presentations of speakers from this party of previous years. I may not be able to spark the interest of other members, but I do have a few opinions that arise out of a careful examination of the procedures which have taken place and the problems and items which have been debated during the current session.

However, Mr. Speaker, while it is an oversimplification to say that we take ourselves too seriously in this House, it often occurs to me that, in this chamber, we become so involved with the image of oratory that we sometimes forget why we are here. The rest of the world may be yawning on occasion in the face of our wonderful pronouncements. So, if my remarks do appear inadequate by comparison with others, I hope they will be accepted in this context.

Before I begin, as is the custom, I would like to extend my heartiest congratulations to yourself, Mr. Speaker, for your performance during the sometimes hectic, almost violent exchanges which have taken place here this year. While we have not always agreed with your rulings, which is our prerogative, I think it would be fair to say that your firmness and sound judgment did much to get us through this first session of a new Parliament in a responsible way, and that you exercised the right degree of flexibility necessary to guide and control ambitions, in a year which introduced so much new talent to this House.

Perhaps you will permit me, sir, to suggest that we, in this party, appreciate the contribution which Mrs. Cass has made to the life of this session. I wish particularly to mention that your gracious lady has more than fulfilled her role, and in a most charming way.

I have also a short word of commendation for your Chairman, a gentleman whom we all respect and admire. He has proven himself capable, fair and diligent. I shall not soon forget an occasion when his true stature showed. I have no intention of embarrassing him, Mr. Speaker, but it takes a good man to deliver a retraction from a ruling under the circumstances in which he found it necessary to do so.

We were treated this morning to a most thoughtful and responsible donation by the member for Armourdale (Mr. Carton). No vitriolism, and yet a lack of the usual plaudits from those benches. I appreciated his effort and I can only say that he set the tone for the wind-up in a way that I would like to be able to pursue.

Perhaps I should comment briefly on some of the remarks of the preceding speaker, the hon. member for Riverdale (Mr. J. Renwick), who is not taking advantage of these outstanding comments.

As I do, I make it plain that I have no intention of fighting the battle of the Budget or the estimates again. I think that this party, forming the official Opposition, has shown a capacity and willingness to debate, consider and suggest, on every occasion which presented itself. And in fact, as Whip, Mr. Speaker, I have been most gratified, on many occasions, when it was necessary to absorb fast curves and go looking for speakers in a hurry, I found our people always ready, always capable, and always prepared. I simply want to express to those members, through you, my earnest appreciation for the co-operation and the agility of mind which they exercised—at the drop of a hat on many occasions.

The hon. member for Riverdale has presented a set of opinions, and, as always, has done it most ably. I can agree with a good deal of his government criticism, but I had no thought of finding myself in competition today with him or his party. I came here today with a few mild criticisms of the administration and I simply say that the basic difference between this party and the New Democratic Party is that we Liberals are aware that we have a destiny to fulfill and we are in the business of preparing ourselves for the responsibility of governing.

Mr. R. Gisborn (Hamilton East): We could recognize that attempt.

Mr. Farquhar: It seems that the members from the New Democratic Party would like to discuss this a little further. So we will do that.

It is my opinion, in view of recent developments, that the New Democratic Party is a disappearing force in Canada—

Some hon. members: Hear, hear!

Mr. Farquhar: Not only that—

An hon. member: —disappeared from the House here.

Interjections by hon. members.

Mr. Farquhar: I really appreciate this. It gives me an opportunity to pursue the matter and to say that they are not going anywhere in Ontario either.

I have some reasons for saying this. I think that the country—the citizens across Ontario—have become frightened by the radical and divisive elements within that party.

Mr. Gisborn: The hon. member was shaking on October 18.

Mr. Farquhar: You know, that brings me to a little point. It is very hard, in Algoma-Manitoulin, to get too pessimistic as your majority keeps growing.

I think that the people of Ontario have become frightened of the sounds of irresponsibility emanating from the New Democratic Party. They have rejected, as recently as June, the fact that NDP policy consists of scratching and screaming and biting and kicking at anything that represents authority, or administration. They have rejected the federal arm of the party in Ontario and they will further reject the provincial party in Ontario for the same reasons.

Hon. A. Grossman (Minister of Correctional Services): Stand up and defend yourselves!

Mr. I. Deans (Wentworth): Hardly worthy of comment!

Mr. Farquhar: They do not believe that short-term answers to regional problems, or continual government donations, will settle their problems. They are tired of hearing theories as answers to practical problems.

Another great ploy of this party, of course, was mentioned earlier this morning. It seems to be to continually wear such a bright halo which is meant to prove that they are the only champions of the small and neglected of our society. Some of them talk at great length in this Legislature—

Mr. Gisborn: That is old stuff, the hon. member can do better!

Mr. Farquhar: I will wear it out anyway—about individual cases which call for nothing really but a phone call to the appropriate department.

No member of this House needs to take a back seat to the NDP members with respect to constituency service. I doubt if there is a member of this assembly who does not accept this responsibility as his automatic duty. We simply feel no need to make such a fuss about it. I have always found that if a member researches these individual problems through the federal, the provincial and the municipal authorities he has very little time left to pat himself on the back.

Enough about the socialist group, except to suggest that it may be time for that party to more clearly define its leadership. I think the people of Ontario are wondering whether the leader is the nominal one from York South (Mr. MacDonald), or whether, perhaps, the irresponsible member with the burlesque approach, who has made the most column-inches during this session, is the leader. It remains to be seen.

Mr. Speaker, I do not have to have a particularly good memory to recall the interest with which a promise in the Speech from the Throne was received, to the effect that a series of conferences would be initiated throughout Ontario to foster interest in community affairs, and improve communication between the newcomer and the established residents of our province. That seemed a genuine enough approach at the time, but has been proven a hollow one. Five months later there is still no dialogue with which to inspire a sense of community for the people of Ontario.

All they get, as in the case of the Hardy report on the Lakehead, is direction from above, and the old *fait accompli* technique. More often than even that, though, they get only window dressing. A past master of that art is, of course, the Minister of Trade and Development (Mr. Randall).

Those of us who have gone to 950 Yonge Street with hopes for real and sincere approaches to problems of regional development and economic disparity have examined this hon. Minister's statements with a microscope, but we find nothing but a pronouncement that is geared to promotion of the image of the office of The Department of Trade and Development.

Our thinking that this department's responsibility, sir, was to direct, promote and foster industrial growth seems to have been mistaken. That there are many one-industry towns across northern Ontario is a well-known fact. One example of the ineffectual workings of this department is the lack of foresight and planning involved in allowing the town of Blind River, in Algoma, to fall to pieces overnight when it was known months before that the Domtar company woud be pulling out at short notice.

Since a major part of the economy of Ontario hinges on effective governing by The Department of Trade and Development, I feel that here—as has been hammered home many times in this House—if it honestly cared about the economic disparity of this province, is a chance for the government to actually do something about it.

We all know the hon. Minister to be a genial, able politician, but since he is the head of such an important department, the people of Ontario expect more than a disarming smile and a pat cliché to solve our very real problems.

Mr. E. W. Sopha (Sudbury): Especially when the cliché is: "You cannot eat independence".

Mr. Farquhar: A "put-up front" can never substitute for action in genuinely trying to promote areas of the province which need help in getting a start.

Obviously, Mr. Speaker, the Premier (Mr. Robarts) supports his Minister, and in so doing, shows that the same blasé approach to solving problems is not only condoned, but is the general rule of this Conservative administration.

Before I go any further, I wish to state that any reference I make to the Premier, Mr. Speaker, must not be misconstrued into lack of respect for his personage. He is a man of stature, and let me say that the statement last weekend in the *Globe and Mail* did not exactly deny his stature, so it will not be necessary for me to enlarge on that point.

But we, in the Liberal Party, are well aware of the many demands on his time and energy outside the normal activities of the Legislature itself. On many occasions his complete fairness and open, frank acknowledgment of the role of the Opposition has been apparent, certainly to me.

However, the basic fact remains, that the business of governing Ontario requires full-time leadership and direction, as does any business, but this has not been the case.

Lack of judgment and planning have brought us to the spectacle of today as an example of what I am saying. The Premier will, no doubt, have in his mind valid reasons for the late opening of this year's work in Parliament, relating as it did to the timing of the federal-provincial conference. But here we are on July 23, trying to examine the problems of this province under conditions which, to say the least, are not conducive to orderly and objective procedures.

Perhaps, Mr. Speaker, we could have bumbled along in his absence for a few days. We have done it before and since. In any case it is hard to believe that an arrangement could not have been made to do more of the business of the session at a more seasonable time.

We in the Legislature are not, apparently, the only ones lacking confidence in the Premier's managerial ability. The last provincial election which showed a loss of nine government seats, even in the face of an increase in the total number of seats from 108 to 117, proved a waning of enthusiasm for Ontario Conservative tactics in the management of the province's affairs.

The hon. Premier might take note of the fact that after 25 years or so of Conservative government, the people are registering their disapproval of the machine becoming more powerful than the man or the party. The dispensing of patronage is not a new game, but when it interferes with the economy of an area to the detriment of a community, it should be studied a bit closer.

I am reminded of an occasion when someone decided that the licence-issuing authority in Elliot Lake be removed from the control of the voluntary organization, the chamber of commerce, a very few weeks before October 17 last. Needless to say, a violent exchange took place between the appropriate department, the recipient of the favour who shall remain nameless and the chamber of commerce, a body representing a substantial cross-section of the town. Well, you can imagine who won.

The result, an inferior set of facilities, needless bitterness and financial setback for the voluntary organization and as far as I am concerned, one more mistake like that and Stanley would not even have had to campaign. The government's insistence on taking care of its own, no matter what the cost or who gets hurt, is another speech altogether and I will not beat it to death here; but it is certainly having its reactions.

Irresponsible action on the part of Conservative Cabinet Ministers has, at times, also brought on a situation of chaos in the House. On the occasions of voting or divisions it seems to me that there has been a lack of responsibility on the part of Ministers who demand up to an hour and a half to get to the Legislature from their offices, to take part in a division. We on this side of the House accept it as our responsibility to be here, regardless of all else, and if we are not here when the vote is called, then we say, "Let it show on the record". That is what we call responsible government. There has never been one occasion during this session when I, as Whip, have had to phone anyone to come in for a vote. We have always taken the view, as a caucus, that we vote with the people who are here.

In the light of this let me recall these occasions. First of all, I would ask members to take a look at their *Hansards* for July 11, 1968, page 5477. The amendment to The Workmen's Compensation Act, moved by the member for Brantford (Mr. Makarchuk), was

defeated 47 to 38 and the following dialogue took place:

Clerk of the House: Mr. Chairman, the "ayes" are 38, the "nays" 47.

Mr. Chairman: I declare the motion lost.

Mr. Nixon: Mr. Chairman, on a point of order, I do not believe we can let this go by without objecting to the inefficient way the government undertakes votes in this House. It is an inefficient method of taking a vote. Mr. Chairman, the bells have been ringing for 40 minutes on a straightforward, routine committee vote. I have no idea what difficulties you had in assembling your members, but it—

Interjections by hon. members.

Mr. Nixon: I am on a point of order and I would like to complete it.

Interjections by hon. members.

Mr. Nixon: I would like to complete my point of order. Now, Mr. Chairman, during some of the looser comments of a few moments ago—

Mr. Chairman: May I respectfully point out that the point of order raised by the leader of the Opposition was out of order in committee? It cannot be dealt with by this committee—the method of summoning the members for a vote. We are dealing only with this particular bill.

Mr. Nixon: I would say, Mr. Chairman, that surely, as a member of this House, I can express my objections to the inefficient way the House leader is conducting government affairs.

And now let us look at *Hansard*, page 594, back in the chilly days of March when the hon. member for Grey South (Mr. Winkler) wished to adjourn the debate, and this resulted in a motion being put challenging the ruling of Mr. Speaker. That motion carried, ayes 48, nays 37. But at what cost in time and temper did the government uphold its majority then?

There have been three or four close calls, Madam Speaker, which have demonstrated the inefficiency of the government to marshall its forces for their primary duty in this chamber. It is not our responsibility at all to make it easy for Ministers to get to and from their offices, or to make excuses for the traffic situation. We simply say that, when a vote is imminent, they should be here. Their legislative responsibilities come before their departmental chores. I recall that the hon. Attorney General (Mr. Wishart) once complained that he was not in his place in the House because he was helping draft the basic shelter exemption legislation. In this instance, the government would probably have fared better in the eyes of the people of Ontario if he had stayed in his seat.

Mention of the basic shelter exemption, which has been so aptly referred to as a Social Credit measure, brings me to my next point, which is that the pre-election mood of the government was one of a mask of gaiety. There were promises at every turn. But now the old Conservative pattern has reasserted itself. In this session and the next one, beginning in the fall, I suppose, we shall see the real face of Conservatism, with the mask torn off. Then the gifts will have blown away with the summer wind, and it will be taxes and more taxes. We had the first round of taxes in the Budget, and there will be more to follow. This is what Conservatism really means to the man in the street.

Four long months have passed since the Provincial Treasurer (Mr. MacNaughton), brought down his Budget. In the interim we have seen a new beginning to Canadian politics, and a new direction taken by Canadian affairs. As the country has moved into the new age, it is preparing to tackle the problems relating to its future in a totally new way. It is no secret that what are called "total information systems" are to be employed at the federal level to achieve the management purposes of government. It is all the more remarkable, therefore, that the provincial Budget, and the press comment that heralded its delivery on March 12, should be possesssed of a quaint, almost Victorian air.

How the Provincial Treasurer must be regretting the form in which his Budget was couched, in the light of the expression of the will of the people of this province, and of Canada, on June 25. What the results of that day, June 25, portend are still being analyzed as the Gallup poll published in the Toronto *Daily Star* only last Thursday, shows. For example, among those with low incomes, the Conservatives lost most heavily while the Liberals made substantial gains among the urban workers. But one thing is sure: That the Conservative Party, not only federally but also within this province—has become the country party—a reversal of its historical role. And things have gone even further than that. It looks now as though if there is to be any future for the great and noble Conservative Party, it lies with those who have been alienated from the existing power structure.

But the Budget nevertheless bent a knee in the direction of Bay Street and thumbed its nose at the average person. A quarter century of Tory rule in Ontario erupted like an angry volcano in one further assault on the average man. The Provincial Treasurer made clear, by word and deed, that big business must be left alone in order to preserve what was still conceived of as a "delicate balance" existing between Queen's Park and Bay Street or, as the official phraseology has it,

"the public and private sectors of our economy". Therefore, in order that the gross provincial product might continue to creep up, big business must remain unmolested, while the individual taxpayers' problems would be accelerated by a further $125 per family per year.

True, about $50 of this would be given back to landlords with the stern admonition that they must pass it on in fulfillment of a rather rash election promise. But obviously, few tenants believed that they would, in fact, be the beneficiaries; the ultimate recipients of this money. Or worse, they were frustrated by the realization that what their landlord would give with one hand because he had to, he would immediately take away with the other, because that was his intention all along.

As regards the other impositions in the Budget, I believe they cut so deeply into the individual freedoms of the people of Ontario that this will quite probably be the last Tory government in this province.

I am of the opinion that the days immediately preceding Tuesday, June 25, amounted to a weekend of decision for the voters of Ontario, in that the federal voter had to decide whether his pocketbook would stand the strain of a federal Conservative government in office, with his painful experience of the Ontario Conservative government's taxation programme. Was this what Conservatism across Canada now stood for he asked himself.

Interjections by hon. members.

Mr. Farquhar: Right now we are trying to discuss what happened to the federal Conservative Party in Ontario, and if the hon. Minister has a set of reasons for what happened on that day I would be glad to hear them.

Interjections by hon. members.

Mr. Farquhar: The increased burden of costs on such things as OMSIP premiums, car licence plates, gasoline, cigarettes, fishing licences, provincial park facilities, to mention a few, compelled the Ontario voter to show, by his rejection of a federal Conservative government, his sense of betrayal by the Conservatives in the last provincial election.

Here, Mr. Speaker, the people of this country have spoken more eloquently than I can hope to do. The people of Ontario have indicated quite clearly that they are part of that great new movement away from the pretenses of the past, of which this Budget is an example. This Budget is a double-talk document which sells the people of Ontario short. With revenues of two and a half billion dollars, it still shows a deficit of $252 million or some $700,000 per day. It is a most regressive document, punitive in its effect upon the lower-income groups. Regressive taxes as has been said many times, are those which hit hardest at those who can least afford to pay them. This Budget surely is the king of them all in that regard.

If I could be permitted a few moments, Madam Speaker, to revert from the Budget to the Speech from the Throne, we were told that priorities had been established and were being followed. Among the priority items were the provision of adequate housing at reasonable cost. Without making a housing speech at this point, Madam Speaker, I would say that all that has happened in this area, so far as one can see, has been a concerted cry, "Hands off, Mr. Hellyer," when that hon. gentleman, in the light of inaction here, took certain steps to do something about it. What positive steps have been made in the fulfillment of promises in the areas of urban growth, of mass transportation? Has Barrie any hope of a GO train before the turn of the century if this government stays in office?

Hon. A. F. Lawrence (Minister of Mines): Point of order, Madam Speaker.

Madam Speaker: The Minister of Mines.

Hon. A. F. Lawrence: I would like to point out to the hon. members opposite, that they are certainly not being lady-like at the moment.

Mr. V. M. Singer (Downsview): Throw him out.

Mr. Farquhar: Where are those "adequate water and sewage facilities", in quotes? What about urban redevelopment? Outdoor recreation was supposed to be of "immediate importance". To what? To the revenue department alone, it seems!

I know that the leader of my party will, immediately this session ends, be embarking upon a vacation tour of provincial parks, and I know that he will, on several occasions, be expressing himself forcefully on this point.

Meanwhile, I should like to cite an example myself of lack of effort. On Manitoulin Island, the largest fresh-water island in the world, a tourist Mecca, with opportunities for the promotion of recreational activity second to none, there has been nothing—until the

last few weeks—even beginning to resemble a provincial park programme. For that I point the finger at this government and specifically at The Department of Lands and Forests.

The arteries—the highways—across this section of Ontario, in 1968, are still gravel; still deplorable. Is this what we mean when we speak of the "immediate importance" of outdoor recreation?

What about "excellence in the provision of services for the health and human betterment of all residents of the province," to quote once more from the Speech from the Throne. Do hon. members remember the phrase "trust us" which fell from the lips of the Minister of Health (Mr. Dymond) and from some of his colleagues also? "Trust us!" If we had trusted less, perhaps the Collingwood affair would not have happened.

What about property owners who trusted the government to honour its commitment on expropriation procedures? Let me read this section of the speech:

> The report of the Ontario law reform commission on the basis for compensation in expropriation has been given detailed consideration by my government. Legislation will be placed before you to ensure that owners of property which must be acquired in the public interest will be dealt with fairly and will receive compensation on a reasonable and equitable basis.

Yet here we are at the end of the session, and nothing has been done. The excuse, of course, is that in the meantime the McRuer report has come along and that, presumably, this will open up the whole subject afresh. But surely this is no excuse for having failed to bring in an interim measure. We can always improve on an Act or replace it with a better one. Any Act is better than none if the complexities of the civil liberties ramifications are such that the perfect Act cannot come in right away.

Those of us who know people who are dependent on drugs are far from convinced that the Minister of Health's plan to bring down drug prices has had any effect at all. So there was another Speech from the Throne promise that was just so much window dressing. Drugs are still as expensive as ever, and the government knows it. But now they are entrenched until the next election, and we cannot expect them to take any action at all on this urgent matter until election time is much closer. They will act when they have to.

People must be having a jolly good laugh at the line "programmes will be accelerated to improve the purity of the air we breathe and the water we drink".

This is because the government has clearly been unable to work out a means of progressive cleansing of the environment without bankrupting industry, so that people all over the province are still surrounded by smog, or sulphur dioxide; by exhaust fumes or fly ash; by polluted water unfit to swim in and unsafe to drink; and by all kinds of combinations of these nuisances.

We in the Liberal party realize that, as a matter of urgency, the correct balance must be found, area by area, between coercion of industry to act expeditiously and the anticipated effect on the local economy of each costly control step in this enormous environmental cleanup process, which we can no longer delay. I am of the firm opinion that in many cases industry has not even been approached with any degree of resolution on the part of the government. I am sure that co-operation will be forthcoming in the great majority of cases, provided that leadership is shown.

However, The Robarts adminstration stumbles on, while the province wallows in its waste.

And now listen to this famous promise:

"My government will embark on vigorous programmes to further maintain adequate levels of food produced by Ontario's agricultural industry." How the sugar beet farmers will applaud that statement! There is an industry that this government has done to death. And then they expect people to believe in these promises from the Speech from the Throne.

How about this one?

> My government proposes to establish an Ontario roads-to-resources programme to further promote the development and use of the abundant natural wealth of our province. This programme will include the planning and development of transportation systems to and from the main arterial routes. These will be based on the resources of forestry, mining, fish and wildlife, tourism and the requirements of the residents of northern Ontario.

Well, there's a whole programme that never happened! The north is worse off than ever before, neglected and forgotten, except at election times; ignored by Ministers whose windows face southward toward Bay Street. The northern people are second-class citizens in Ontario. They are treated as such by the Robarts government, which takes out their life blood, raw materials, yet will not take industry to them or nourish them in any way with forward-looking programmes and decent infusions of capital, incentives and guarantees.

In contrast, the Liberal plan for the north

—a northern development fund with a guaranteed "floor" interest rate and a built-in bonus factor or risk element, would allow the people of Ontario to invest in their own resources, and would open up the north in a way that can only be imagined by the most far-sighted. We have the answer for the north and, once again, the results of the federal election in northern Ontario has shown that the people are just itching for the provincial Liberal programme to be put into effect. They have had their taste of the Robarts plan, and the taste is bitter. They have had enough.

It could even be said that this government's entrance into public support of the recent federal election campaign may have had a disastrous effect on the federal government's chances in northern Ontario. In fact, the prevalent opinion in the north, as I hear it and understand it, is that one Conservative administration in Ontario is one too many.

Now we had great hopes that the one Cabinet Minister who hails from the north —the Minister of Lands and Forests (Mr. Brunelle)—a man whom we all still believe understands the north in a way that his fellow-Ministers can never hope to do—that this man would understand also what policies the north needs, and would be able to put these ideas across in this Cabinet.

But now we begin to be somewhat alarmed as we begin to see his attention drawn southward by the many items that call for his decision there. This involvement in ancillary responsibility has really left no Minister free to project the aims and ambitions of the north full time—yet a full-time mission this must be! However, we are fortunate on this side of the House in having a new representative for Rainy River (Mr. T. P. Reid), whose recent critique of the Department of Lands and Forests was, I suggest, a model of constructive opposition at work. In this, the member for Rainy River was strongly supported by another new member for the Lakehead, the member for Port Arthur (Mr. Knight).

The member for Port Arthur pinpointed the essentially local weaknesses in policy when dealing with The Department of Mines in his role as critic of that department. However, may I say that the best thing that has happened to The Department of Mines for a long, long time is the appointment of the recent Minister. It is like a breath of fresh air to have a person with his individual thinking ability at the head of this very important department. It remains to be seen how well he is able to withstand the pressures that develop. But, at the moment, I'll have to say that I'm quite happy with him.

It would be both tedious and unfair for me to work my way through the Liberal benches, pointing out the opportunities that have come the way of each member to make some hole in the government's defences, which is our job, but all have done so with effect. I would, however, like to single out the remarkable contributions throughout the session by the new members for Sarnia (Mr. Bullbrook), for Kitchener (Mr. Breithaupt), and for York Centre (Mr. Deacon). The member for York Centre has zeroed in unerringly on the complex financial scene, which baffles so many of us, and has shown the faults of government policy in activities coming under the jurisdiction of the Ontario securities commission, in the insurance field, and so on. He has been ably backed in the consumers affairs field by the member for Kitchener, who was also the Opposition Treasury critic.

And certainly, the remarkable quality of the Attorney General's (Mr. Wishart), estimates debate depended on three salient factors—the timeliness of the events and practices that were coming under scrutiny, the keen new mind which led the formidable phalanx of Liberal lawyers into the attack, and the unfailing courtesy of the Attorney General himself in handling the occasion as the gentleman he is.

It is at this point that I feel impelled to pay tribute to my leader, the leader of the Opposition and of the Liberal Party in Ontario, the hon. member for Brant (Mr. Nixon), who has again proven his outstanding ability to take in the significance of a situation while most of us are still listening to the actual words of a statement.

This ability to think on his feet, and to react immediately and raise the appropriate point that the Minister has tried to conceal, is a measure of his effectiveness in the role he now fills, and the promise of his capacity in the role that he will undoubtedly fill after the next provincial election.

His persistent advocacy of the select and standing committee system has been followed by the belated recognition by the government that this is indeed a more efficient way to conduct the affairs of the province. There are those who see Parliament as a show, and aim every adjective in the direction of the press gallery. The Liberal leader is not among those who would demean the dignity of this House for the sake of a headline. He

has too high a respect for parliamentary tradition, and too great an example from his own family history, to allow himself ever to lower his standards by one iota.

When the time comes, as it surely will, for him to form the second Nixon ministry in Ontario, we know he will lead the Cabinet with the same skill and mastery that he has displayed in caucus; that he will lead the government of Ontario with sound business sense; and that he will restore efficiency and dignity to this chamber, and have his Ministers where they should be, in their seats in this House, and not engaged in other business somewhere across the city.

I am impressed by my leader's ability to express himself in a coherent, positive and responsible way—no hysteria; no semantics. His is a personality that expects and demands loyalty. He has the ability to show the way and the Liberal caucus is as one in recognizing his individual dedication to policies intended for the betterment of the lot of the people of Ontario.

It is no wonder, then, under such leadership, the party goes forward, and that the people of Ontario are beginning to recognize that there is a provincial party that is now ready and prepared to meet the challenge of power and to replace the tired, faded image of an old and entrenched party.

It was on the evening of March 25 that the leader of the Opposition seconded by the hon. member for Downsview, moved the amendment to the motion "that Mr. Speaker do now leave the chair and the House resolve itself into the committee on ways and means", in these terms:

This House regrets:

1. The government's dependence on regressive tax and revenue increases which impose harsh new burdens on lower and middle income citizens and employers, particularly in the financing of health services;

2. The paltry commitment in dollars and initiative towards alleviating the worsening housing difficulties;

3. The lack of initiative in maintaining the Ontario sugar beet industry which will add new financial hardships to the agricultural economy;

4. The absence of a wage price review board that should be operating in areas of provincial jurisdiction to assist in easing the cost of living and to act against inflation;

5. The lack of an overall reform of the grant policy to assist municipalities in reducing local taxes, particularly as they are related to school costs;

6. That no effective programme for the industrial and economic growth of northern Ontario has been proposed which would channel private and public funds into the development of our natural resource areas.

And now, four months later, if members on all sides of the House will search their consciences in the next hour or so, while the hon. Premier is speaking, I am sure that they will find it necessary to support the amendment to a man.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, perhaps we could start these remarks where the hon. member for Algoma-Manitoulin (Mr. Farquhar) ended—in joining with him on a personal basis, in the praise that he has paid to my good friend, the member for Brant (Mr. Nixon); and to state that we do look for his continued leadership in all levels of government as he maintains his present role. No doubt, after 1971, he will have his reward in that upper chamber at another place where all loyal supporters of that party will have their ultimate resting place.

I must say, Mr. Speaker, that at this particular time one cannot help but share in the sympathy which one should feel as one listened to the tone of the speech of the hon. member for Algoma-Manitoulin. I talk about the content and not the speaker, for whom I have a very high regard.

Never, never have I heard a more negative, a more disparaging, and a more unrealistic approach to what is going on in Ontario. How can anyone who has been around and witnessing what is going—

Interjections by hon. members.

Hon. Mr. Welch: —how can anyone who has been around and witnessing what has been going on in this province in the last two decades, following the tremendous emphasis in our Centennial year, stand up, in the light of the facts and attempt to fool the people of the province into believing that all the progress and tangible evidence of social conscience, and all of the other matters which have been developed for the people of this province by this government and its predecessors in office, have not, in fact, been going on.

It would seem to me that the Opposition parties in this province would be wise if they would recognize what, in fact, has been going on. If, instead of sitting on the banks and watching the tide of progress go by them, they got in and took some of the credit and shared in the fact that they have been in this Legislature and that they and their predecessors joined in formulating these policies for the benefit of the people of Ontario.

I see evidence today that the people of this province have had enough negativism. They are looking for positivism in the people who assume positions of public responsibility. I have never heard anything like the moaning

and groaning in the face of the facts of progress under the dynamic leadership of the government and its predecessors, who have been in office in the last two decades. It is disgraceful.

I do not know why the leader of the Opposition has been talking about fishing. He has not been too lucky in his catches up to now, I can tell you that.

Mr. Speaker, I join with the members of the House in what I consider to be a concensus—of a welcome to the end of this lengthy and taxing and, I think we all agree, exceptionally productive first session of the 28th Parliament of Ontario. While in terms of days of sitting this is not the longest session in the history of the Legislature, it has surpassed any previous session in terms of the numbers of hours in which we have been in the chamber looking after the business of the people of Ontario.

Shortly — and I trust very shortly — the Lieutenant-Governor will enter the chamber to participate in the prorogation ceremonies. This will, in fact, be his first official visit to the Legislature since his appointment. We in the House have already welcomed the appointment of the Hon. W. Ross Macdonald as the Lieutenant-Governor of Ontario. I would want to do so again in the chamber this afternoon, and join all members of the House in extending our warm good wishes for his continued good strength and health as he discharges his various responsibilities in the office.

I should also like to join with all members of the House in paying tribute to the Hon. W. Earl Rowe, who served so ably as the Lieutenant-Governor of Ontario from May, 1963, to his retirement earlier this month. I know that I express the thoughts of all of us here when I commend Mr. Rowe on the outstanding conduct of his office, especially during the extremely busy Centennial year. We wish him many years of health and contentment in his retirement.

May I also take this opportunity to extend congratulations to you, Mr. Speaker, on your excellent conduct of the business of the House in a busy and onerous session. I should also like to single out for particular words of appreciation, with the other members, for the hon. member for Waterloo South (Mr. Reuter), who has enhanced the respect that all members held for him by his fairness and impartiality as chairman of the committee of the whole House.

Earlier this session many of us extended a warm welcome to the hon. members who were sitting in the House for the first time. I hope that each has found that service to his constituents through the conduct of the business of the House has been satisfying and rewarding. Those who were new members when the session began in February are now obviously well-seasoned veterans. Now, as the first session draws to a close, I hope that you have developed a feeling of familiarity with our customs and habits of purpose and accomplishment, and a feeling of understanding, and appreciation, and respect for the Legislature and its traditions and dignity. We trust that all will have a pleasant and safe summer.

Just by way of facts and figures on this session, as I said, this is not the longest session in terms of days of sitting. During the fourth session of the last Parliament in 1966, the House was in session for 110 day sittings and 60 night sittings. As of last night, we had sat, during this session, for 101 days and 55 nights.

However, this session has now exceeded the session of 1966 in the number of hours in which members have been in the House. As of adjournment last night, the House had met 560 hours, compared with 544 hours during the 1966 session. It is interesting to note, in passing, that about 48 per cent of the time was spent in the consideration of the estimates of the departments of government.

I should also point out something about the question period. Since the beginning of the session, more than 1,000 questions have been asked of the Ministers, up to and including yesterday. We can see in the question period, evidence of the competition between the two other parties for the role as to who is really the official Opposition here.

I am pleased to announce as we get ready for the prorogation, that there are certain winners in the prize day. The Liberals asked 512 questions, but the real winner in the question period is the New Democratic Party, with 534 of the questions.

I made some reference to the fact that, I suppose, at the end of every session, there should be some prize giving. I only regret that the member for Grey-Bruce (Mr. Sargent) is not in his seat, because I have a prize for him.

We had a little study made with respect to the question period and, lo and behold, the winner of the newspaper clipping award of the year is the hon. member for Grey-Bruce, who asked 14 per cent of the questions. I will send over to his leader the

award for this, which is a pair of scissors and a marking pencil. You will note that the prize is tied in blue ribbon because, in checking throughout the entire government, I could not find any red tape.

I trust that that will be turned over to the very likeable member for Grey-Bruce, in the hope that he will realize that he has won top honours.

While this is one of the longest sessions of the Legislature in the history of Ontario, it should not be mentioned so much in terms of days or hours; rather it should be weighed in terms of its legislative achievements. Very few sessions have dealt with such momentous and far-reaching matters. The hon. members can well take justifiable pride—and I say all members of the House—in having participated in the process which will ensure the continued progress of our dynamic province.

Since I have been using some facts, perhaps I should mention that the hon. members have had placed before them, for consideration, some 150 public bills, which either have proceeded or will proceed, to Royal assent. Several, including The Business Corporations Act, 1968, and The Business Corporations Information Act, 1968, and The Provincial Auctioneers Act, were not proceeded with.

In all, this House has considered and approved almost 200 public and private bills. The beneficial effect of this legislation already is being felt throughout this province of ours.

Although the session is now drawing to a close, the hon. members and the government have before them a very heavy schedule for the summer and early fall. During September, as we know, it is anticipated that a large number of members will participate in the members' tour of northwestern Ontario, which should be exceedingly productive.

As indicated by the Prime Minister (Mr. Robarts), consideration is being given to a possible session of the Legislature during the autumn months. There are several important matters which would justify calling the Legislature into session. As you are aware, the select committee conducting an examination of the recommendations of the Ontario committee on taxation is currently hearing representations based upon these recommendations and the committee has been asked to report back to government by September 17. It may well be possible to present to a fall session the views of the government on the future rationalization of the taxation system used in the province.

At this session, we might also be in a position to consider The Business Corporations Act and expropriation procedures.

Many hon. members will also be occupied, following this session, with the work of the select committees, the membership of which has been announced in the House—the one on corporations law and the other on election law.

Of course, the government, will also be occupied in the months ahead in a series of important federal-provincial and interprovincial conferences related to constitutional reform, fiscal matters and other important considerations. These conferences, Mr. Speaker, will begin on August 1 when the provincial Premiers will hold their annual meeting, this year, as the guests of the Premier and the people of Saskatchewan.

I think at this time, Mr. Speaker, there are one or two matters, indeed matters of concern to the government, which it is anticipated will be the subject of these inter-governmental discussions in the weeks and months ahead. And perhaps it would be well in a summary way to list these matters for the interest of the House.

As we all know, on July 1 of this year, the federal Medicare programme went into effect with only two provinces in Canada participating. As the hon. members are aware, this province is not yet participating and has indicated its reluctance to participate in the programme as presently defined. The attitude of the government was announced by the Prime Minister on January 24 of this year and has been reiterated in the House by my colleague the hon. Minister of Health (Mr. Dymond), on June 18.

It is extremely unfortunate—and I underline that, Mr. Speaker—that the federal government, at least to the present time, has adopted an inflexible attitude towards the priorities and the requirements of the provinces in this federal Canada of ours.

Medicare is a case in point, where little attention has been given to either the experience of the various provinces which now have medical services insurance or the degree of coverage now enjoyed by the people of the provinces. This attitude has been compounded by the rejection of request by the provinces for clarification of the federal government's Medical Care Act.

Our view, the view of this government, that the implementation of a national Medicare plan at this time should have been further delayed, of course, was rejected. I

submit to the House that the necessity of further consultations and a re-assessment by the federal government of the inflexible position which has been adopted, retains it urgency today.

After all, Mr. Speaker, when eight of the ten provinces decline to enter a programme because of an inability to participate, it is time to re-assess the programme. Surely the Prime Minister of Canada should now call a conference at which these matters can be discussed and the Medicare programme re-assessed. Only by sitting down together and resolving the difficulties which surround the present plan can we hope to get this spirit of consultation. This has been the message which has been going from this government to the senior government; consultation so that we can discuss the present plan. Then, in this way, we can obtain the most comprehensive programme of medical care that can be devised, at a cost—and we are cost-conscious—that can adequately be borne and which will meet the specific requirements of the residents of this province and of Canada.

In the meantime, we in this province have been doing something about it. And we did it a year or two ago while we were waiting for some other level of government to initiate its programme. Let us not lose sight of the fact that we have been looking after our people in the interim.

I want to talk about matters of interest to us on constitutional matters and a review of matters dealing with constitutional development; I am reminded of many important developments. A highlight, Mr. Speaker, was the historic Confederation of tomorrow conference called by the Prime Minister of Ontario last November and convened with the concurrence of this Legislature.

Indeed, I am sure, it would be appropriate to say at this point, Mr. Speaker, that the stature of Ontario's Prime Minister as a great national figure was tremendously enhanced by his leadership in calling and conducting that meeting here in Toronto. There is absolutely no question that the Prime Minister of Ontario has won a special place throughout all of Canada—a man right up there with John A. Macdonald and George Brown and others who made Confederation work in the first place, a man who is determined to make sure that Confederation continues to work and meet the needs of this new century.

There can be little doubt of the respect that our leader holds throughout this country. It was my pleasure, not too long ago, Mr. Speaker, to be in Quebec and to be in Quebec City, to sit in the Legislature of that province, in the Speaker's gallery, and to listen to the leaders of both political parties heap praise upon the leadership and the concern of the leader of this government regardless of any partisan approach. They joined together in paying tribute to the Prime Minister and his appreciation of the consultation and the partnership which must exist between these two great bounding provinces. It was a tremendous opportunity to sit and to listen to the tribute from both Premier Johnson and the leader of the Opposition, Mr. Lesage.

Indeed, I think that if one were to make reference to this now-famous article which appeared in the weekend magazine of the *Globe and Mail,* one could see there that the author of the article has caught something of the national vision of this great man. He quotes from a speech given by the Prime Minister in Quebec City, when he used words such as this about the partnership: "The partnership which must be there in fact and in spirit and in purpose." Listen to these words coming from the leader of this government:

> I am certain that the two great peoples who established our Confederation are ready to make a greater effort to make it work and to succeed. Let us do everything to unite and let us do nothing to divide.

That was in Quebec City and then, in Hamilton, speaking in terms of the approach which must be made by men of goodwill where partisanship is in fact laid aside as we seek the road upon which this great country of ours should continue to journey in the name of opportunity for all of our people, the Prime Minister said:

> I have never felt that there was any contradiction between speaking up for Ontario and taking a clear stand for Canada. The two go together. That is why I have consistently made it clear to the leader of the federal government that he could always count on our wholehearted co-operation in all efforts designed to strengthen the national economy. I renew that pledge tonight and I repeat that so long as I am the Prime Minister of Ontario, political partisanship and party advantage will not be permitted to impede the progress of Canada.

That is the spirit with which this government approaches the whole question of constitutional matters.

There can be little doubt that the Confederation of tomorrow conference was instrumental in helping Canadians launch the current examination of the future of Canadian federalism. The Confederation of tomorrow conference and the subsequent conference of Prime Minister and Premiers in February resulted in the establishment, as we all know, of continuing committees, which are now preparing the way for further meetings of Prime Ministers and Premiers. While there has been no indication when these further meetings will be held, it has been suggested that another conference would be called before the end of the current year.

This government and this party stand united behind our Prime Minister.

Interjection by an hon. member.

Hon. Mr. Welch: I am awfully glad the member for York South (Mr. MacDonald) has raised that question, because if there is anything which—

Interjections by hon. members.

Hon. Mr. Welch: The point I would like to make is that there is one thing that stands quite clear: The Progressive Conservative Party of Ontario is united in its determination to work for Canada and the unity which we all seek. We have seen no displays of this unity across the floor of this House for some time.

Surely it must be obvious to the member for York South—very obvious—that this government is committed and dedicated to a stronger and more united Canada.

In the months, of course, since the Confederation of tomorrow conference, and the Ottawa constitutional conference we have accomplished a great deal in preparation for the future conference of the Prime Ministers and the Premiers. A number of basic points have evolved which may well form the basis of our future negotiations. In this regard, the government would like to place before the House certain particular points, which would illustrate this matter.

First, The British North America Act is not untouchable. It can well be examined in order to determine whether it should be amended or rewritten to serve Canada and its people to better advantage in its second century.

Two. It is all very well to discuss changes in The British North America Act, and indeed even to decide on changes. However, until we find a method of amending The BNA Act—which is satisfactory and acceptable to all provinces and to the federal government—it is only an exercise in theoretics to consider specific changes. Reaching agreement on a method of amendment requires a high priority.

Three. We believe that it will be of continuing advantage to the people of Canada to remain a federal state. It is interesting to note under this point, Mr. Chairman, that today, this very day, marks the anniversary of the signing of The Act of Union of 1841. If we need any illustration through history—and the lessons of history of how not to approach the problems of Canada, there was a pretty good statutory example, I refer to The Act of Union because of its failure. Its failure to recognize the need for harmonious integration. The attempt in that Act to impose in some statutory way the melting pot theory. Indeed it is appropriate that we would have this historical reference to realize that what we seek is a unity in our diversity working within the framework of the federal state.

Four. Our constitution should remain flexible enough to be adapted periodically to fundamental social change.

Five. In our approach to matters of the constitution, each level of government must respect the constitutional jurisdiction of the other. I come from an area which is steeped in history, the great county of Lincoln where the first government which is a predecessor to the present government met 75 years before the government of Canada was organized. And in this particular regard we keep in mind that each government has certain responsibilities assigned to it—nothing particularly now that we should not be prepared to meet in the spirit of co-operation and to arrive at those solutions which will be consistent with meeting the problems of the modern times.

Six. The province should have either separately or together a variety of relationships with the federal government. We include in this list as our seventh point that the federal and provincial government must have sufficient sources of revenue to enable them to discharge their responsibilities under the constitution.

We say here, too, as our eighth point, that Canada should be a bi-lingual multi-cultural state.

We say as well that all governments in Canada should provide wherever practicable bi-lingual public services; and that Canadians should be able to have their children edu-

cated wherever feasible, in either of the official languages.

In that spirit and with these general guidelines we continue to indicate our interest in working with all the governments of Canada to work out these solutions for the future needs of this country.

Reference in this debate should also be made to matters of fiscal relationships. As fundamental to the future stability of Canada as the working out of a satisfactory constitutional approach to Canadian federalism is the requirement to rationalize the entire field of public finance.

The Prime Minister and the hon. Provincial Treasurer (Mr. MacNaughton) have discussed at length on many occasions, in inter-governmental conferences and in this House the urgent requirements of providing adequate financial resources to those levels of government which have specific responsibilities for the rapidly growing demands for spending.

One of the distinctive characteristics of the changes going on in Canada within recent years has to do with the migration of population to urban areas from our farms and from our small communities and the accompanying urban growth. This is not unique, of course, to Ontario. All of the provinces of Canada have felt the pressures of the population explosion and this shift to the urban areas. All the provinces are facing constantly and rapidly growing requirements for spending under their constitutional responsibilities.

I pay tribute to the Minister of Trade and Development (Mr. Randall) under whom the Ontario housing corporation works. While other people are talking about housing for our people, this government, through its commission, has been doing something. Of course, these are not new—the government of Ontario has been wrestling with these changes for several decades. We have got $400 million in the works for housing now. We are spending over 90 per cent of the federal funds available for housing in all of Canada because of the leadership of Ontario in the housing field.

All levels of government are of course involved, municipal, provincial and federal. The Provincial Treasurer spoke about this matter just last week. His comments are not a matter of expressing opposition—and I say this to the member for Algoma-Manitoulin, I would want him to hear this before he went back to his people—this was not a matter of expressing opposition to a federal initiative in an area in which the provinces happen to have responsibility at the moment. This is a matter of ensuring that through co-operation and co-ordination we avoid duplication of effort, and expenditures. As your federal leader says, there is only one source for all the public money needs, and that is from the taxpayers. Why should not the Provincial Treasurer, being the responsible man he is, ensure that there is this co-ordination to avoid such duplication in the interests of the people of Ontario? If you are not interested in the people of Ontario, we sure are, and that is why we are here.

It is obvious that the financial needs of the province and the municipalities are enormous. Now to the extent that the federal government participates in providing a measure of relief from these burdens, the pressure on the provincial government and the municipalities will be lessened. It would be preferable, quite preferable, to have federal contributions co-ordinated by the province in the context of provincial-municipal planning.

However, the solution of the problems is far more important than a debate about constitutional niceties. There is an immense job to be done and I am sure we all would agree. On the other hand—and I think this is a very important consideration—let us never lose sight of this—we do not want to find ourselves in the position whereby the activities of the federal government result in the government of Ontario being involved in further financial commitments. We have in the past had the experience—and I might say in some cases bitter experience—of enduring commitments made without adequate recognition by the federal government of the financial difficulties they were going to impose on the provinces.

Mr. D. C. MacDonald (York South): Charlotte Whitton says that is what the provinces do to the municipalities.

Hon. Mr. Welch: Now you see, the member for York South knows it is not just a matter of reallocating tax fields or tax revenues to the provincial governments from the federal government. We are faced with a situation whereby because of population changes, urban development and escalation in the costs of existing government programmes, a gap is rapidly widening between revenues on the one hand and expenditures on the other for existing provincial programmes without introducing new initiatives.

As an example, I point out to the members of the House the rapidly expanding requirements for education resulting from the increase in the number of young people now

going through the school system and remaining longer in the school system.

In pointing this out I am sure we are all aware that it is easy for some to say that a large wealthy province such as Ontario will —or ought to—be able to look after itself. But may I say as a member of this House that for Ontario to make this case is to make not a parochial point but a national case. We have to recognize that requirements such as education and housing and urban development, to which reference has already been made, are national requirements, in the sense that they exist within all of our provinces, but each is within provincial jurisdiction. Therefore, when we talk about the needs of the government of Ontario for expenditures in these areas, would you not agree that what we are really talking about are national needs because the economic wealth and the production of Canada depend in a large measure on Ontario?

We are a very responsible partner in Confederation, we recognize this; and do not lose sight of this—Ontario wealth depends, in large measure, on our capacity to deal with these requirements. We would be less than responsible if we did not recognize this.

For this reason, would you not agree that the issue has to be taken out of the narrow context of federal-provincial relations and placed, Mr. Speaker, in a broader context of good economic and financial management; and of tax sharing, so that we can ensure the strong economic future of Canada? In a governmental sense, Canada is made up of all its governments and, therefore, we should not adopt the attitude that a transfer from one government to another in any way weakens the country.

What we have to be concerned with is ensuring that sufficient revenues are available to meet our national needs, regardless of which government has the jurisdiction; and avoiding, I hope, all these jurisdictional disputes which hold up much needed programmes. This should be, indeed, must be, the essence of federal-provincial discussions this particular autumn. The government recognizes that our federal-provincial policy, our financial management and our economic policy are closely interrelated.

Now, there has been talk from the Opposition benches that discussions on federal-provincial fiscal matters may be delayed beyond this autumn, and that the federal government may seek to extend the current tax-sharing arrangements. But I would like to assure this House that the government of Ontario, as our leader has already said on many occasions, is prepared and ready to sit down and discuss fiscal matters with the federal government at any time. Indeed, I am sure that all would agree that it is imperative that we lose no time in resolving the fiscal difficulties in which the provinces and our municipalities find themselves.

The government departments involved in taxation matters, grants to municipalities and in the analysis of the Smith and the Carter reports—to which reference has been made today as well—have been at work for some time. A composite attack on our taxation problems in Ontario is being taken. We have to proceed at once on both fronts—federal-provincial tax-sharing arrangements and the rationalization of our system of taxation.

So as you can see, Mr. Speaker, the weeks and the months ahead will not be without activity of very immense importance to the people of Ontario, and to Canada.

Some reference in these remarks, I think, should be made to the significance of the year 1968 as it relates to matters of human relations and human rights. The hon. members will recall that the Speech from the Throne did draw to our attention that 1968 has been designated by the United Nations general assembly as an international year for human rights; and throughout this year, the member countries of the United Nations are reviewing the efforts and the achievements of the last two decades in the field of human freedom. Nineteen sixty-eight was chosen quite purposely for this intensive observance because this is the 20th anniversary of the adoption and the proclamation of the universal declaration of human rights. Canada, of course, is among the many nations which have ratified this historic charter. And I know too, and I say this again to illustrate the point, that all members of the House should share in the accomplishments of the House. I am sure it is a measure of pride for all of us in this House that 24 years ago, four years before the adoption of the universal declaration of human rights, Ontario took the first substantial steps in establishing the principle that human rights are indivisible. In the intervening years, we have adopted a number of statutes which now constitute the Ontario human rights code. This code and the human rights commission, have been widely praised for perception and fearless application, and have been the inspiration to others working in the field of human rights.

This province also has undertaken studies into the wider field of civil liberties. During this session we received the first report of the

Royal commission under the former chief justice of the Supreme Court of Ontario, the Hon. James C. McRuer, and this report is one of the most important documents of its kind ever produced. During this year it is appropriate that we refer to the reminder of the chairman of the Ontario human rights commission, Dr. Louis Fine. He used these words:

> International human rights year for us must be an occasion for individual and collective self-examination, in order to make sure that we are in fact applying the principles of the universal declaration and our own human rights code in all areas of our community's life.

Of course, we would be the first to agree—I am sure each member of this House would be the first to agree—that notwithstanding the tremendous example of legislation in this field, the great leadership comes from personal example. You can pass laws on this particular matter but it has to permeate into the hearts of men and women. I am sure that is what the author of that music in *South Pacific* meant when he put these particular words in a song—

> You have got to be tough from year to year, you have got to be tough before it is too late, to hate all the people your relatives hate.

And how important it is, because although we can pass laws, although we can set standards legislatively, to be emulated throughout the world, it is really in the attitude of men and women where we find the greatest example. Indeed, a judge, who not too long ago was sentencing two young men for some particular offence under the Acts said this:

> We can pass our laws, but until such time as I have before me some overt behaviour, the courts cannot deal with it. The courts cannot get into the minds and into the hearts of men.

And so we continue, through legislation, and, I hope, through personal example, to clothe these great principles in some practical way, and we strive ever to emulate the highest ideals in our relationships with our fellow men. It is imperative that each of us in this House continues to strive for the highest levels of improvement in the field of human rights and freedom.

The exhaustive study and recommendations contained in the first report of the inquiry into civil rights provides an excellent opportunity to enter into this individual and collective self-examination. It has been adopted by the government of Ontario, as the yardstick against which all legislation and programmes are being measured.

Mr. Speaker, I think it is significant, and I have made reference to the silver jubilee article which appeared in last week's *Globe and Mail* magazine section. It is with some pride that we review the accomplishments of this administration and its preceding administrations dating back to 1943. It is particularly significant of the continual rejuvenation of this party that over this period of time, this leadership, in an evolutionary way, is changed. New people have come to take the positions of those who served with such distinction in the past.

I was reminded of this in a very personal way when this party took power in 1943. Many of us were just beginning our work in the secondary schools of this province, and here, many of us now have an opportunity to serve the people of our province in the activities of this particular party; a tremendous example of the evolutionary and progressive nature of the philosophy of this party.

Indeed, I would like to use an example. Because I have not had the opportunity to reply to a debate of about a week ago in connection with the liquor policy of the province, to underline this evolutionary process, simply by using it as an example.

The evolutionary process, each step building from the solid foundation of what has gone on before, has been a fundamental part of government throughout the history of the province of Ontario under the leadership of this party. All change is not necessarily progress. I hope that we would agree that it is progress when it involves improvement and, at the same time, carries with it continuity. This is the philosophy of this party as we approach all of the problems which come before us.

The liquor laws of the province—to make some reference in reply to the very stimulating debate of a week ago, a very helpful debate, are good examples of this.

Over the years, changing requirements and customs—and I want to underline this—the changing requirements and customs of the people of Ontario, have resulted in many changes in the statutes and regulations affecting liquor control, its sale and licensing. Committees were established since right after World War II, and there has been a continual review.

I would be the first to agree that the government must continue its review on matters of personal behaviour, on matters of social

custom related to this particular subject. It is important that the government be continually reviewing the regulations and the statutes and rules to make sure that they are relevant; to make sure that they are, in fact, consistent with the practices. It helps us very little to have people waving their arms around in this House and suggesting this and that and picking out little examples, which by the way, do nothing but illustrate the fact that they do not know anything about changes which already have taken place in the liquor regulations.

What we are looking for in debates, such as the one last Monday, and in the continual review which should be given, are constructive suggestions.

I am prepared to advise the members of the House that notwithstanding all of the study and all of the consideration that has been given in the past, we will immediately, following the prorogation of this session, set up the necessary committees to review once again, to make sure that the laws and regulations and the practices are, in fact, consistent with the social customs of our people. We are launching immediately a review of all of the liquor laws of this province. I would hope that all members who are listening now would take this as an invitation to submit their suggestions and their recommendations so that we might have the benefit of their advice on this particular matter.

In the fields that fall within the jurisdiction of the liquor control board, reference was made a week ago Monday to the whole question of merchandising. I might point out to the members of the House at this stage, that the liquor control board now has been asked, and is presently planning, to develop three self-service stores in the Metropolitan Toronto area by way of experimenting in some changes in merchandising to see whether it is more consistent with the buying habits of our people.

We have a great responsibility in this matter. Perhaps, if I might be permitted a personal comment, we have reached the time when we should place the responsibility exactly where it belongs, on the people who are taking part in these particular activities and who are licenced to do so, which call into review the social customs of our people.

If I might interrupt myself, I was delighted with the responsible tone of some speakers a week ago when they expressed their concern as far as our young people were concerned. I can assure you that as far as this person is concerned, I have got a great deal of confidence. You talk about lowering the drinking age. I have got more confidence in the approach of young people to drink today than I have in some people who are 61. I feel that we have among us, a group of young people who have a great sense of social responsibility, who in fact are quite willing to recognize inconsistencies in a negative approach of "thou shalt not". I think perhaps the time has come when we should take a brand new look at the whole approach as government has itself evolved in this area of personal behaviour and social customs. I can assure the members of the House, by way of commenting on that debate, that insofar as the liquor policy of Ontario is concerned it is about to undergo another very thorough review. I repeat that I would hope that all members of this House would share with this Minister and the committee their views on this subject.

Well, the time for conclusion should, by now, have arrived and indicative of the changes, in concluding the Budget debate for the government, I think it is very well to remind the House of the impressive strides forward by the people of Ontario. Notwithstanding the moaning and the groaning and the tears that roll down the faces of the Opposition speakers, the economy of this province is in good order and our productive capacity is continually improving and we can look forward with confidence to the months and years ahead because the Progressive Conservative administration is in charge of the ship at sea.

I make no apology for that particular remark and I can—

Interjections by hon. members.

Hon. Mr. Welch: Well, I made some comment the last time I made a speech like this, about the elimination of certain people and I certainly did not turn out to be a very good election predictor so I will not make any comments about 1971. I have not thought of anything that will rhyme with 1971 and 20, so if we can get that together, we will do so. Time alone will tell.

In view of the anniversary which we in the Progressive Conservative Party will observe in August of this year, the completion of a quarter of a century of continuous service to the people of Ontario, perhaps I may be permitted—

Interjections by hon. members.

Hon. Mr. Welch: That is not saying very much for the good judgment of the people.

Surely the hon. member has more respect for the people's judgment.

Mr. M. Shulman (High Park): The people are showing better judgment every year.

Hon. Mr. Welch: That is why the hon. member is where he is and why we are here, because we have a certain respect for the democratic process. This is the party of freedom and enterprise opposed to—perhaps—

Interjection by an hon. member.

Hon. Mr. Welch: Name it and we are for it.

Perhaps I may be permitted to suggest that the soundness of the province is the product of the policies of the Progressive Conservative government. We who are members of the Progressive Conservative Party take a great deal of pride in the confidence which the people of Ontario have expressed in our policies and, accepting that trust we do so with humility and with a determination that this—

Interjections by hon. members.

Hon. Mr. Welch: I am not surprised that the hon. members of the Opposition would laugh at the word "humility", because I have seen no signs of that over there at all.

As we approach this silver anniversary, a significant milestone in the continued development of Ontario, I am reminded of the dramatic changes which have taken place in the time since August 1943, when the Hon. George Drew was chosen by the people of Ontario to form the government. I remind the member for Algoma-Manitoulin—and it is too bad that he had not spoken to me before he wrote the speech—I am reminded too, of the many great Canadians who have been members of the executive council and the Legislature in the 25 years since that election. I think particularly of such men as Mr. Drew, and Thomas Kennedy, and Leslie Frost, and not to overlook our own great, dynamic leader, that great Canadian, the present Prime Minister of Ontario.

I think also of the men who formed other Conservative governments and guided the destinies of this province for a total of 50 years of this century. I should like to illustrate the fact that there are some with us who can, from their own point of view, recall this quarter-century of service to the people of Ontario. There are only two in the House and the press gallery who have been here consistently during the last quarter-century.

There is the member for Dufferin-Simcoe (Mr. Downer), first elected to this House in 1937. He has the enviable record of being re-elected eight times. He was Speaker in the House from September, 1955 to May, 1959, and I might say that he is the only member of the government who has ever sat in the Opposition.

Then, turning to the press gallery, may I pay a special order of tribute to Mr. Don O'Hearn. Mr. O'Hearn came here from Halifax having served six years as a newspaperman in Montreal and covered the 1943 election for *Saturday Night* and then the first session of the new Legislature. He has twice been president of the press gallery, and now covers Queen's Park for the Thomson papers, the Windsor *Star*, and for the past ten years for the Hamilton television station. His father was Attorney General for Nova Scotia in the '20s, his younger brother Peter is a judge in Nova Scotia, his brother Walter is executive editor of the Montreal *Star*, and we are glad to include him in these remarks as we rejoice on our silver anniversary and know that Mr. O'Hearn is still serving the people of the province through the media of the press and television.

Just in case it has escaped anyone's attention, Mr. Speaker, may I remind them once again the Progressive Conservative Party is the party of Confederation and the party of development, of progress, and of social development. It can be stated without fear of contradiction that, by our actions and in the trust placed in us by the people of Ontario, the Progressive Conservative Party in Ontario remains and is pre-eminently the party of Confederation and development and progress. I suggest, as we conclude, to all members of this House that when the anniversary of the formation of the Progressive Conservative government is observed next month, it will be recognized as merely a marker along the broad highway of progress along which the people of Ontario are travelling.

During the last quarter century, we have progressed an immense distance. The achievements have been unparalleled in the history of any other province of Canada. Keep in mind that this journey is not finished. There is not a government programme that is not in need of further development. As we face the changing social needs, there is the continual review. Nothing stands still. That is what the word Progressive means with Conservative; nothing stands still. The membership of this party is continually being rejuvenated and we have, continually, new talent introduced to its ranks to ensure a consultation

with the changing needs of the times. I remind you that all our programmes are under review and we underline that the progressive nature of the party emphasizes that progress depends on improvement and continuity. These accomplishments have been replaced by fresh challenges, each of which must and will be overcome. But we face them with confidence in our capacity and experience to deal with them effectively and courageously in the times ahead.

When the bells ring and this government is supported once again, it will continue to meet the needs of the people of the province to give some real tangible meaning to the words of that song which has become the theme song of Ontario, that she will continue to be a place to stand and a place to grow.

Mr. Speaker: Hon. C. S. MacNaughton (Provincial Treasurer) moves that Mr. Speaker do now leave the chair, and the House resolve itself into the committee on ways and means.

Mr. R. F. Nixon (Leader of the Opposition) moves that the motion that Mr. Speaker do now leave the chair and the House resolve itself into the committee on ways and means. be amended by adding thereto the following words:

This House regrets:

(1) the government's dependence on regressive tax and revenue increases which impose harsh new burdens on lower and middle income citizens and employers, particularly in the financing of health services;

(2) the paltry commitment in dollars and initiative towards alleviating the worsening housing difficulties;

(3) the lack of initiative in maintaining the Ontario sugar beet industry which will add new financial hardships to the agricultural economy;

(4) the absence of a wage/price review board that should be operating in areas of provincial jurisdiction to assist in easing the cost of living and to act against inflation;

(5) the lack of an overall reform of the grant policy to assist municipalities in reducing local taxes, particularly as they are related to school costs;

(6) that no effective programme for the industrial and economic growth of northern Ontario has been proposed which would channel private and public funds into the development of our natural resource areas.

As the members are aware, the House will first vote on the amendment of the motion moved by the leader of the Opposition.

The House divided on the amendment moved by Mr. Nixon, which was negatived on the following division:

Ayes	Nays
Ben	Allan
Braithwaite	Apps
Breithaupt	Bales
Bukator	Belanger
Bullbrook	Boyer
Deacon	Carruthers
Deans	Carton
De Monte	Connell
Edighoffer	Davis
Farquhar	Demers
Gaunt	Downer
Gisborn	Dymond
Good	Evans
Haggerty	Gilbertson
Innes	Grossman
Jackson	Guindon
Knight	Hamilton
Lawlor	Haskett
MacDonald	Hodgson (Victoria-Haliburton)
Makarchuk	Hodgson (York North)
Martel	Jessiman
Newman (Windsor-Walkerville)	Johnston (Parry Sound)
Nixon	Johnston (St. Catharines)
Paterson	Johnston (Carleton)
Pitman	Kennedy
Renwick (Scarborough Centre)	Kerr
Ruston	Lawrence (Carleton East)
Shulman	Lawrence (St. George)
Singer	MacNaughton
Sopha	Meen
Spence	Morningstar
Stokes	Morrow
Trotter	McNeil
Worton	Potter
Young—35.	Price
	Randall
	Reilly
	Reuter
	Rollins
	Rowe
	Rowntree
	Simonett
	Smith (Simcoe East)
	Smith (Hamilton Mountain)

Ayes	Nays
	Snow
	Stewart
	Villeneuve
	Welch
	Wells
	White
	Whitney
	Winkler
	Wishart
	Yakabuski
	Yaremko—55.

Clerk of the House: Mr. Speaker, the "ayes" are 35, the "nays" 55.

Mr. Speaker: I declare the amendment lost, and the motion carried on the same division reversed.

The House resolved itself into the committee of ways and means; Mr. A. E. Reuter in the chair.

Clerk of the House:

RESOLVED:

That there be granted out of the consolidated revenue funds of this province a sum not exceeding $3,017,957,400, to meet the supply to that extent granted to Her Majesty.

Resolution concurred in.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs) moves that the committee on ways and means rise and report that it has come to a certain resolution.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee on ways and means begs to report it has come to a certain resolution.

Report agreed to.

ACT GRANTING CERTAIN SUMS OF MONEY

Hon. C. S. MacNaughton (Provincial Treasurer) moves first reading of bill intituled, An Act for granting to Her Majesty certain sums of money for the public service for the fiscal years ending March 31, 1968 and March 31, 1969.

Motion agreed to; first reading of the bill.

Hon. Mr. MacNaughton moves second reading of Bill 179.

Motion agreed to; second reading of the bill.

Hon. Mr. MacNaughton moves third reading of Bill 179.

Motion agreed to; third reading of the bill.

Mr. Speaker: Resolved that Bill 179 do now pass and be intituled as in the motion.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, from sure and reliable information, I understand that His Honour the Lieutenant-Governor awaits without. I shall now proceed to confer with His Honour.

The Honourable the Lieutenant-Governor of Ontario entered the chamber of the legislative assembly and took his seat upon the Throne.

Hon. W. Ross Macdonald (Lieutenant-Governor): Pray be seated.

Mr. Speaker: May it please Your Honour, the legislative assembly of the province has, at its present sittings thereof, passed several bills to which, in the name and on behalf of the said legislative assembly, I respectfully request Your Honour's assent.

The Clerk Assistant: The following are the titles to the bills which Your Honour's assent is prayed:

Bill 44, An Act to amend The Secondary Schools and Boards of Education Act.

Bill 53, An Act to amend The Lord's Day (Ontario) Act, 1960-1961.

Bill 118, An Act to amend The Mining Act.

Bill 135, An Act to amend The Consumer Protection Act, 1966.

Bill 140, An Act to amend The Schools Administration Act.

Bill 141, An Act to amend The Secondary Schools and Boards of Education Act.

Bill 143, An Act to amend The Corporations Tax Act.

Bill 144, An Act to amend The Ontario Municipal Employees Retirement System Act, 1961-1962.

Bill 145, An Act to amend The Municipality of Metropolitan Toronto Act.

Bill 146, An Act to amend The Fire Departments Act.

Bill 147, An Act to amend The Police Act.

Bill 149, An Act to authorize the raising of money on the credit of the consolidated revenue fund.

Bill 150, An Act to amend The Workmen's Compensation Act.

Bill 151, An Act to amend The Art Gallery of Ontario Act, 1966.

Bill 152, An Act respecting the Royal Ontario Museum.

Bill 153, An Act to amend The Corporations Act.

Bill 154, An Act to amend The Municipal Unconditional Grants Act.

Bill 155, An Act to amend The Municipal Act.

Bill 156, An Act to amend The Assessment Act.

Bill 157, An Act to control the content and identification of stuffing in upholstered and stuffed articles upon their manufacture, sale and renovation.

Bill 158, An Act to amend The Power Commission Act.

Bill 160, An Act to amend The Air Pollution Control Act, 1967.

Bill 161, An Act to amend The Public Health Act.

Bill 162, An Act to amend The Teachers' Superannuation Act.

Bill 163, An Act to amend The Ontario School Trustees' Council Act.

Bill 164, An Act to amend The Teaching Profession Act.

Bill 165, An Act to amend The Public Schools Act.

Bill 166, An Act to amend The Department of Education Act.

Bill 167, An Act to amend The Secondary Schools and Boards of Education Act.

Bill 168, An Act to amend The Separate Schools Act.

Bill 169, An Act to amend The Territorial Division Act.

Bill 170, An Act to amend The Municipal Tax Assistance Act.

Bill 171, An Act to amend The Drainage Act, 1962-1963.

Bill 172, An Act to amend The Schools Administration Act.

Bill 173, An Act respecting the township of Red Lake.

Bill 174, An Act respecting the township of Charlottenburgh.

Bill 176, An Act to amend The Legislative Assembly Act.

Bill 177, An Act to amend The Executive Council Act.

Bill 178, An Act to amend The Legislative Assembly Retirement Allowances Act.

Clerk of the House: In Her Majesty's name, the Honourable the Lieutenant-Governor doth assent to these bills.

Mr. Speaker: May it please, Your Honour:

We, Her Majesty's most dutiful and faithful subjects, the legislative assembly of the province of Ontario, in session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to Her Majesty's person and government and humbly beg to present, for Your Honour's acceptance, a bill intituled, An Act granting to Her Majesty certain sums of money for the public service for the fiscal years ending March 31, 1968 and March 31, 1969.

To this Act the Royal assent was announced by the Clerk of the legislative assembly in the following words:

Clerk of the House: The Honourable the Lieutenant-Governor doth thank Her Majesty's dutiful and loyal subjects, accept their benevolence and assent to this bill in Her Majesty's name.

The Honourable the Lieutenant-Governor of the province was then pleased to deliver the following gracious speech:

Hon. W. Ross Macdonald (Lieutenant-Governor): I extend warmest greetings to you on this, the first opportunity I have had to address the Legislature of Ontario since assuming office as the representative in the province of Ontario of our beloved Sovereign, Queen Elizabeth II.

I should like to express my deep appreciation of the affectionate welcome I have enjoyed and the confidence which has been expressed for the office which I hold and for myself. I shall endeavour to preserve the dignity of the office of the Lieutenant-Governor and to serve our Sovereign and the people of Ontario to the maximum of my ability.

The first session of the 28th Parliament of Ontario is about to end. This session, which also marks the beginning of the second century of the province of Ontario, has been one of the longest in the history of the Legislature. Since the session began on February 14 with the Speech from the Throne read by my distinguished predecessor, the Honourable W. Earl Rowe, the public and private bills placed before you for consideration and approval make this session one of the most productive in recent years. Those legislative

proposals which you have approved will ensure the further strength and ability of the people of Ontario to meet their responsibilities to our province and to our country. I commend the hon. members for their diligence and constructive participation and congratulate each of you on the responsible and dedicated manner in which you discharged your obligations to your constituents and this House.

The legislative programme which this House has approved included enactments which will provide for equality of educational opportunity for all the young people of Ontario. Passage of amendments to The Secondary Schools and Boards of Education Act and to The Separate Schools Act allow for the creation of larger units of administration for public, secondary, and separate schools. A substantial decrease in the number of school jurisdictions will follow. Further developments within the school system of Ontario include amendments to The Schools Administration Act and The Secondary Schools and Boards of Education Act. These authorize the establishment of schools and classes in the French language at the elementary and secondary levels of the public school system.

The hon. members approved record expenditures for all facets of our educational system to ensure that it remains one of the most comprehensive and progressive available anywhere. This support will enable our institutions of higher learning to improve upon the quality of programmes for which they have already earned an enviable reputation.

A significant and far-reaching development was the transfer of a substantial degree of the weight of taxation borne by property owners. Hon. members approved several measures which reduced this burden, including The Municipal Tax Reduction Act and those enabling the assumption by the province, from the municipalities, of the costs of the administration of justice.

Legislation was approved to implement the programme for equalization of industrial opportunity, whereby many of our smaller communities are assisted in acquiring industry and, thereby, stimulate more uniform economic growth and employment throughout Ontario.

Improved working conditions will follow legislation of The Department of Labour. The Employment Standards Act replaces several other enactments concerning employment practices and conditions. Under this Act overtime payment beyond 48 hours of work weekly, equality of payment for men and women, and the establishment of seven statutory holidays annually, were given support. Amendments to The Industrial Standards Act are intended to improve safe working conditions. Substantial increases in benefits under The Workmen's Compensation Act also were approved.

The wellbeing of the people of Ontario continued to be safeguarded through continuing attention to the social services required by a growing and vigorous population. Additional benefits under the health care insurance programme of The Department of Health and welfare services of The Department of Social and Family Services have been strengthened and broadened. Included are outpatient care, essential ambulance services and optometric benefits. Substantial progress is being achieved through an expanding preventive health care programme.

Programmes for the control of air and water pollution were strengthened, with funds approved to enable the government's programmes to be vigorously pursued.

Consolidated were 18 previous enactments of the Legislature dealing with adult offenders. When complemented by federal legislation, The Department of Correctional Services Act will authorize the establishment of a programme whereby inmates will be permitted to participate in vocational or educational training within the community. The new Act also incorporates the change of name of The Department of Reform Institutions.

Enacted during this session was The Provincial Courts Act, which provides for the establishment of a provincial court in each county and district in Ontario. These courts will absorb and replace the magistrates and juvenile and family courts and will provide a court system of greater flexibility than heretofore.

Amendments to The Securities Act, The Loan and Trust Corporations Act, The Insurance Act and The Consumer Protection Act provide greater protection to the people of Ontario in their financial dealings.

Legislation was considered and approved to establish the second large regional government in Ontario. The regional municipality of Ottawa-Carleton will become a functioning metropolitan community on January 1, 1969.

The agricultural industry of Ontario was further strengthened by various proposals put before and approved by the hon. members.

Enactments respecting the marketing of cattle for the production of beef give Ontario farmers authority to establish a beef improvement association and to develop and improve the grading and marketing of beef.

The legislative programme put forward by The Department of Transport and approved by the House was the most significant in the 11-year life of the department. Legislative measures were taken to assist municipalities in constructing airstrips. Other measures dealt with highway and vehicle safety and contained important advances, including specific recognition of commercial highway transport to the economic life of Ontario. Legislative proposals by The Department of Highways, in concert with the department's extensive construction programme, will further prevent dangerous traffic conditions developing on roads leading to controlled highways.

During the session, legislation was approved to establish the Royal Ontario museum as an independent institution with increased flexibility in serving the interest of the people of Ontario.

Extensive reorganization of two existing departments of government was given legislative approval. The new Department of Treasury and Economics will bring together the machinery of the government for the development of policies on financial and economic management and federal-provincial relations. The Department of Revenue will administer taxation statutes and other revenue legislation. The new Department of Trade and Development is charged with the responsibility for housing and establishment and stimulation of business and industrial activity throughout the province.

In reviewing the first session of the 28th Parliament of Ontario, I join with the hon. members in expressing the gratitude of the people of Ontario to the public servants of this province. This year marks the 50th anniversary of the establishment of the Ontario civil service commission. During this half century the commission and the public servants have demonstrated their deep loyalty and sense of duty in the service of the residents of this province. On behalf of my government and the hon. members, I commend them for the successful performance of their assigned tasks.

In discharging their responsibilities, all hon. members have had ample opportunity to scrutinize thoroughly and give approval to the spending estimates of the departments of government. I thank the hon. members for making provision for the funds necessary to conduct the business of the government. The economic growth of Ontario and the excellent financial position of the province will enable the necessary funds to be raised. I am pleased to note that the affairs of the government are in excellent order.

In declaring prorogued this first session of the 28th Parliament, I pray that under the guidance of divine providence our province will continue to provide an increasing measure of satisfaction and prosperity for all our people.

Hon. R. S. Welch (Provincial Treasurer): Mr. Speaker, and hon. members of the legislative assembly, it is the will and pleasure of the Honourable the Lieutenant-Governor that this legislative assembly be prorogued and this legislative assembly is accordingly prorogued.

The Honourable the Lieutenant-Governor was pleased to retire from the chamber.

The House prorogued at 3:30 of the clock, p.m.

APPENDIX

(See page 6172)

Answers to questions were tabled as follows:

7. *Mr. Deans*—Enquiry of the Ministry—(*a*) How much land has been assembled at this time for the satellite city proposed in October, 1967, for Saltfleet Mountain; (*b*) have any arrangements been made to provide services for this land; (*c*) what price was paid for the land now assembled; (*d*) is this land being assembled directly by the Ontario housing corporation, or by private developers or real estate agents acting on behalf of the Ontario housing corporation?

Answer by the Minister of Trade and Development:

(a) 1,562.4 acres.

(b) Discussions have been held with the city of Hamilton and the townships of Saltfleet and Binbrook concerning the servicing of these lands. A team of expert consultants has been set up to act for Ontario housing corporation in all planning, design and negotiations pertaining to this development.

(c) Ontario housing corporation is continually in the market place for land and uses its best endeavours to obtain the best possible prices. To disclose prices paid in any one area could well jeopardize the corporation's ability to obtain land at reasonable cost.

(d) The land was assembled privately and offered to Ontario housing corporation as a package.

22. *Mr. Ben*—Enquiry of the Ministry—What would be the increase in cost to the present public school supporters in Metropolitan Toronto if all the pupils at present enrolled in separate schools in Metro Toronto were brought into the public school system?

Answer by the Minister of Education:

This question is hypothetical.

23. *Mr. Ben*—Enquiry of the Ministry—1. What would be the cost of giving to the separate school system the same dollars per pupil as now given to the public school system in Ontario for (*a*) grades I to X; (*b*) grades XI to XIII? 2. What would be the cost of giving to the Metropolitan Toronto separate school system the same dollars per pupil as now given to the metropolitan public school system for (*a*) grades I to X; (*b*) grades XI to XIII?

Answer by the Minister of Education:

Not envisaged in law nor contemplated by the regulations.

24. *Mr. Ben*—Enquiry of the Ministry—What would be the annual cost of teaching all the pupils at present enrolled in the separate school system of Ontario if they were brought into the public school system for (*a*) grades I to X; (*b*) grades XI to XIII?

Answer by the Minister of Education:

This question is hypothetical.

25. *Mr. Ben*—Enquiry of the Ministry—What would be the capital cost (i.e., the cost of supplying facilities) of absorbing the pupils at present in attendance in the separate school system of Ontario into the public school system for (*a*) pupils in grades I to X; (*b*) pupils in grades XI to XIII?

Answer by the Minister of Education:

1(a) The cost of any such coverage cannot be predicted accurately.

1(b) Same as above.

26. *Mr. Ben*—Enquiry of the Ministry—As of December 31st, 1967, or the last statistical period, how many pupils were in attendance in the separate schools of the province of Ontario (*a*) in grades I to X; (*b*) in grades XI to XIII?

Answer by the Minister of Education:

(a) At September 30, 1967, there were 404,497 pupils in attendance in the separate schools of the province of Ontario recognized by law.

(b) At September 30, 1967, there were 16,993 students in grades 11 to 13 of the Roman Catholic private schools.

45. *Mr. Deacon*—Enquiry of the Ministry—1. Re Ontario housing corporation: (*a*) What was the total cost per unit of the Alexandra Park town housing development, including property acquisition, demolition, architect fees and construction; (*b*) what is the contracted total price per unit of the Blake Street project? 2. Re Ontario student housing corporation: (*a*) What is the cost per unit of the new University of Guelph residences; (*b*) what is the total contracted cost per unit of Rochdale College?

Answer by the Minister of Trade and Development:

1. (a) The town house units in Alexandra Park were constructed in two phases with separate contracts and different contractors as follows:

Phase 1 comprised 47 row housing units, 29 of which were 3-bedroom and 18 4-bedroom. The contract price for construction was $645,461.64. Architect fees were $39,660.29. This resulted in an average building cost per unit of $13,733.22 plus architect's fees of $843.84 for a total average cost per unit of $14,577.06.

Phase 2 comprised 216 row housing units, 130 of which were 3-bedroom, 59 4-bedroom and 27 5-bedroom. The contract price for construction was $3,822,569.00. Architect fees were $192,785.00. This resulted in an average building cost per unit of $17,697.08 plus architect's fees of $892.52 for a total average cost per unit of $18,599.60.

The land on which these units were built was acquired and cleared as part of the Alexandra Park urban renewal scheme. In consequence, OHC was not in any way involved in the cost of acquisition and clearance. The land for the public housing units was transferred to OHC at a cost based on $1,000 per dwelling unit.

(b) The Blake Street development comprises 460 units, of which 129 are 1-bedroom, 204 are 2-bedroom, 58 3-bedroom, 36 4-bedroom, and 34 5-bedroom. The contract price for construction was $6,325,000. Architect's fee is included in the contract price. This resulted in an average building cost per unit of $13,750. Land for this development cost $1,380,000 for an average of $3,000 per unit.

Comparing the Alexandra Park and Blake Street developments the following factors are significant:

	Alexandra Park	*Blake Street*
Average bedroom count per unit	3.5	2.22
Land cost per unit	$1,000	$3,000
Average cost per dwelling including land	$18,872.53	$16,750.00

2(a) The Guelph student residence currently under construction comprises accommodation for 1,162 unmarried students together with dining, kitchen, and other communal facilities. The construction cost per bed is $7,777 plus architect's fees of approximately $470 for a total cost of $8,247 per student bed.

(b) The student residence known as Rochdale College was developed by a student co-operative of the University of Toronto. We do not have cost figures on this development. However, perhaps other student residence developments carried out by Ontario student housing corporation on the same basis as the Rochdale College development will suffice.

The University of Western Ontario student residence currently under construction comprises accommodation for 1,204 unmarried students together with dining, kitchen and other communal facilities. The construction cost per bed is $4,289. As this was a builder proposal call, architect's fees are included in the construction cost.

The University of Waterloo student residence currently under construction comprises accommodation for 960 unmarried students together with dining, kitchen and other communal facilities. The construction cost per bed is $4,500. As this was a builder proposal call, architect's fees are included in the construction cost.

As the hon. member is aware, both OHC and OSHC have made extensive use of the builder proposal method of development.

This has led to such interesting innovations as builder proposals by private enterprise on urban renewal sites. An example of a builder proposal on an urban renewal site is the Blake Street project in the city of Toronto. This method resulted in cutting the time involved from approval to start to 18 months compared with the usual four or five years required under the normal method of urban renewal. This project was first suggested by the metropolitan corporation as a redevelopment area, but was not considered suitable by the urban renewal authorities. In response to a proposal call, a private developer offered to build a 460-unit housing development for OHC on part of the land. As is usual in a builder proposal, the developer assumed all responsibilities for the preparation of plans, specifications, soil test reports, making the necessary applica-

tion for rezoning, together with the securing of all municipal approvals.

In the case of student housing, the builder proposal technique has been used exclusively by OHC with the exception of the student residence at Guelph University. At the time the OSHC was created, the Guelph development had already reached an advanced planning stage with the university using the architectural firm of John Andrews and Associates. Rather than risk delaying the development by discarding the planning already carried out, OSHC agreed to go along with the development as originally contemplated.

This was similar to the situation which obtained in the Alexandra Park urban renewal area. The city of Toronto had already retained a consortium of architectural firms to do preliminary design work on the public housing element, and although OHC would have preferred to use the builder proposal technique, in the interests of expediency it agreed to continue on the direct construction basis already started by the city.

Apart from the very substantial economies which have been achieved through the builder proposal technique, this arrangement also lends itself to considerable savings in time as full advantage is taken of the builder's experience and capacity. Proposal calls by OHC and OSHC contain detailed requirements concerning the standards of construction required and it has been our experience that this produces housing of a uniformly high design standard. All proposals are subjected to an extensive analysis and appraisal by the professional staff of OHC before the successful proponent is selected.

Builder developers who submit proposals are responsible for preparing all plans and specifications to the requirements of the corporation, for making applications, for any rezoning required and for securing all approvals necessary from municipal and other governmental agencies.

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